



# **Acknowledgement of Country**

We acknowledge Aboriginal and Torres Strait Islander peoples as the Traditional Custodians of the land. We pay respect to Elders, past and present, and all Aboriginal and Torres Strait Islander people that call Victoria home today.

We recognise and respect their culture, beliefs, and connection to Country, with traditions and customs that have existed for over 60,000 years, and are privileged to share the lands we live on and operate in. We respect this land too - and our purpose is to care for the lives of everyone who travels on Victorian roads.

Left: Artwork by Jurawaa Stanley (2021)
The Roads that Keep Us Connected



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Cover photo credit: Paul Hermes

# **Letter from the Chair to the Ministers**

The Honourable Danny Pearson MP Minister for WorkSafe and the TAC

Level 20, 1 Spring Street Melbourne VIC 3000 The Honourable Melissa Horne MP Minister for Roads and Road Safety

Level 16, 121 Exhibition Street Melbourne VIC 3000

October 2024

#### **Dear Ministers**

I am pleased to submit the 38th Annual Report of the Transport Accident Commission for presentation to Parliament pursuant to Part 7 of the *Financial Management Act* 1994.

Greg Wilson

Chair, Transport Accident Commission

# Ministers, Board and Executive

#### Minister for WorkSafe and the TAC

#### The Hon Danny Pearson MP

The Hon Melissa Horne MP

**Minister for Roads and Road Safety** 

Appointed March 2019 Reappointed November 2020 Reappointed October 2023 (for 12 months)

# **Chief Executive Officer**

## **Tracey Slatter**

(from 3 July 2023)

## **Board of Management**

## Jane Brockington

Chair Greg Wilson

Appointed October 2017 Reappointed November 2020 End of term October 2023

### **Robert Cameron**

Appointed October 2022

## **James Flintoft**

Appointed July 2019 Reappointed July 2022

#### **David Heath**

Appointed February 2017 Reappointed February 2020 Reappointed February 2023 (for 12 months) Reappointed February 2024 (for 12 months)

# **Catherine Jones**

Appointed September 2022

# **Sharon McCrohan**

Appointed December 2019 Reappointed December 2022 (for six months) Reappointed June 2023

## John Merritt

Appointed October 2018
Reappointed October 2021

# **Dr Samantha Smith**

Appointed February 2017 Reappointed February 2020 Reappointed February 2023 (for 12 months) Reappointed February 2024 (for 12 months)

## **Executive Leadership Team\***

#### Samantha Cockfield

Executive General Manager – Road Safety (from 30 October 2023)

#### Nadia Cop

Executive General Manager – Finance & Governance (from 3 December 2023)

## **Katherine Gobbi**

Executive General Manager – Clients (from 11 March 2024)

#### Andrew Holt

Executive General Manager – Performance Risk & Strategy (from 30 October 2023)

#### Natalie McColl

Executive General Manager – People, Culture & Engagement (from 30 October 2023)

# Jennifer Rebeiro

Executive General Manager – Enterprise Transformation (from 5 February 2024)

# Jacqui Sampson

Executive General Manager – Community (from 5 February 2024)

\*As at 30 June 2024

OVERVIEW OF 2023-24
The TAC Annual Report 2023-24

# From our Chair and CEO

The 2023–24 financial year was a period of transition and renewal for the TAC.

This annual report highlights our many achievements to date and explains how we are laying the groundwork to help deliver new strategic goals between now and 2030.

## **Setting ourselves up for success**

In the second half of 2023, we undertook an organisation redesign and strategy refresh process. This work was carried out as part of an ongoing process to deliver the best possible outcomes for our clients, the community and our people.

We also took time this year to look inwards, conducting an Organisational Culture Index (OCI) Survey to gain a deeper understanding of the norms, values, beliefs and behaviours that shape our culture. The results reinforced that our people have a strong desire to make a difference.

Strong leadership is critical to the success of any organisation and, following our most significant executive management restructure in recent years, we are confident we have the right team in place to drive a high-performing culture and help us achieve the ambitious goals we've been working on as part of our new corporate strategy.

### **Financial performance**

In 2023–24, the TAC recorded a \$1.040 billion operating surplus and our Performance from Insurance Operations (PFIO) was \$1.129 billion. These positive results were achieved against a backdrop of ongoing economic and social challenges, including record population growth and the lingering repercussions of the COVID-19 pandemic.

Importantly, the results were underpinned by responsible decision-making, balancing the long-term viability of our scheme with our commitment to deliver better, fairer and more targeted outcomes for those who rely on our support.

## **Road safety**

Sadly, the number of lives lost on Victorian roads in 2023 climbed for a third consecutive year. Our hearts go out to the loved ones of the 295 people who lost their lives – the highest number of fatalities in 15 years. To the many others who were injured in vehicle accidents, we reiterate our commitment to providing the best possible service and care.

Accident data for this period showed lives lost in rural Victoria increased by more than one quarter compared to 2022, and that high-level speeding remains a major contributing factor to road trauma. Additionally, distractions and other examples of minor non-compliance, such as low-level speeding, accounted for more than half of all fatalities.

Driver and passenger deaths increased by 27% and 130% respectively. Unfathomably, one or more vehicle occupants were not wearing seatbelts in at least 10% of fatal collisions. There was also an unusual spike in multi-fatality collisions in 2023 – with four quadruple fatality crashes and two quintuple fatality crashes.

This needless loss of life is unacceptable and strengthens our resolve to do better. As challenging as it seems, we remain firmly committed to working with our road safety partners on the Victorian Road Safety Strategy goal of halving deaths by 2030.

# **Campaigning for behaviour change**

Our organisation plays a critical role in promoting safe use of transport and the prevention of transport accidents. As part of this, we launched new campaigns targeting fatigue and drink driving in 2023–24.

The 'Stop Kidding Yourself. If you drink, don't drive.' campaign promoted the complete separation of alcohol and driving for the first time. 'Driving tired? Wake up to yourself.' was also groundbreaking in that it responded to new research showing that a driver is four times more likely to crash if they've had less than five hours sleep the night before. This confronting campaign aimed to make drivers reconsider getting behind the wheel after a poor night's sleep.

# Investing in road safety research and infrastructure

The TAC plays a key role in identifying and investing in measures that prevent accidents. Safer roads are critically important in reducing crashes and serious injury and we invested a further \$54.8 million toward road safety infrastructure in 2023–24. The bulk of our contribution (\$51.2 million) was directed to the Victorian Government's Safer Roads Program, taking our total investment in this program to \$1.51 billion.

We also launched the \$210 million Safe Local Roads and Streets Program this financial year – a collaboration with the Department of Transport and Planning – to help Victorian local governments plan, design and deliver Safe System infrastructure programs.

Road safety is a complex issue, and we will continue to support quality research and innovations that help us better understand the causes of accidents, as well as the ways we can address them.

## **Creating a better client experience**

In 2023–24, we provided a record \$1.81 billion in support to those directly impacted by road trauma. Each of our clients has their own story to tell and we never stop looking for new and better ways to help them get their lives back on track.

We are committed to giving our clients a greater say in their treatment plans while responsibly managing our scheme's long-term viability. One of the ways we are doing this is through our TAC MyPlan – a more contemporary approach to care that allows clients to determine their own treatment preferences, while achieving more efficient healthcare delivery outcomes. A further 3,655 plans were created last financial year, taking the total number of clients who now have a greater say in their own recovery journey to more than 10,500.

We also transformed our lodgement and service delivery structures over the last financial year to bring all touchpoints of the client journey together. The result is better customer service, experience and outcomes, as reflected in our corporate scorecard measures.

In 2023–24, we fielded more than 172,000 customer service calls and exceeded the goals we set ourselves for call quality and service decision-making. We also achieved our highest overall client satisfaction score since November 2021.

Returning to work is a key milestone in the recovery journey and we are proud to have helped over 70% of our clients return to work, or secure new work, within six months of their accident. This is our best-ever result. In addition, 1,031 of our most seriously injured clients achieved back-to-work outcomes.

We also proactively settled more common law cases in a shorter amount of time and granted our highest-ever number of serious injury certificates, leading to vastly improved injury impairment outcomes.

# **Becoming a high-performing organisation**

We boast a proud history of attracting and developing talented professionals from a broad cross-section of fields, and we continue to invest in building the collective potential of our people.

In 2023–24, we launched a new employee capability framework to lift performance and growth, drive innovation and embolden our people to be decisive and creative in meeting our corporate goals, purpose and values.

We also maintained our focus on building a safer and more inclusive workplace through training, including a new program called Navigating the Trauma of Others, policy changes, such as the new Gender Affirmation Leave Policy, and recruitment, most notably of a First Nations Program Lead.

We wish to thank departing Board member, Jane Brockington, who played an important role over her six-year tenure and served as Chair of the Risk Committee and member of the Audit Committee.

Finally, we want to thank each and every one of our employees for their efforts and contributions in what has been a significant year of change for our organisation. By harnessing your expertise and enthusiasm for improvement, we know that we are well-placed to achieve the ambitious goals and aspirations driving the next phase of our work.



**Greg Wilson** Chair



Tracey Slatter
Chief Executive Officer

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Impact on profit	2019-20 \$M	2020-21 \$M	2021-22 \$M	2022-23 \$M	2023-24 \$M
Performance from insurance operations	744	990	942	1,895	1,129
Impact on profit from external factors:					
Difference between actual investment returns and long-term expected returns	(973)	1,331	(1,554)	338	380
Change in inflation assumptions and discount rates	459	1,204	3,294	92	(42)
Repayment of capital	-	-	(400)	-	-
Tax	(51)	(1,049)	(774)	(668)	(427)
Net profit/(loss) after tax	179	2,476	1,508	1,657	1,040
		·			
Insurance Funding Ratio (%) <sup>1</sup>	137.1	161.7	148.6	160.1	151.6

 $<sup>^{\</sup>rm 1}$  Insurance funding ratio from 2022–23 uses a long-term investment return of 7.5%.

OVERVIEW OF 2023–24

The TAC Annual Report 2023–24

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# **Key performance** highlights



\$54.8m

**Invested in infrastructure** for safer roads



44,989

**Clients supported with** accident claims



**70%** 

Clients back to work in six months or less



3,655

**Clients who received** their own MyPlan



\$1.81b

Paid to get our clients' lives back on track



80,366

**Road to Zero Education Complex visitors** 



**89**%

**Customer call quality** rating



1,352

**Common law settlements** under our legal protocols

# **Moving to Make Every Day Matter**

Over the last six months of 2023–24, our organisation commenced on a journey to improve our performance and better serve our clients.

The outcome of that work was a refreshed TAC strategy called Make Every Day Matter. As a refined version of the TAC 2025 Strategy, Make Every Day Matter outlines the goals and aspirations we want to achieve each year over the next six years.

At the heart of the strategy are four clear goals:

- Safe to travel: We will build a future where every journey on Victoria's roads is a safe one.
- **Best client outcomes:** Each client owns their own recovery journey to get their life back on track.
- High performing culture: Our people are aligned to our purpose and empowered to perform.
- Scheme for now and the future: We will deliver value for the Victorian community and ensure the health of the scheme for future generations.

Each goal is underpinned by three aspirations that describe our ideal future state, help us work towards safer roads, support better recovery outcomes, and deliver value for the Victorian community.

To develop these goals and aspirations, we sought feedback directly from our people, who were passionate about contributing to the future direction of our organisation. More than 100 people participated in our interactive strategy workshops and we received more than 500 feedback submissions throughout the consultation period.

We will track our progress towards achieving each goal over the next six years using new measures developed as part of our refined corporate scorecard.



# **Our goals**



# **Our aspirations**

- **1.** Significant reduction in serious road trauma
- 2. Safety first road culture
- **3.** Be bold in leading the necessary changes





Halving lives lost



Significantly reducing serious injuries



- **1.** Client-centred recovery and independence
- **2.** Best providers, best outcomes
- 3. Service excellence



Achieving our best **client outcomes** score



> 70% of our **providers** find the TAC **easy to deal with** 



- **1.** Empowered and innovating
- 2. Accountable for outcomes
- 3. Lead and learn together



**Employee engagement** is above the Australian norm



Ideal state culture in constructive behaviour styles achieved



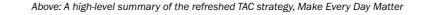
- **1.** Financial sustainability
- 2. Community trusted
- Leading in Environmental, Social and Governance (ESG)



Our **insurance funding ratio** is around the mid target range



**ESG** is part of our every day



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# Our 2023–24 corporate scorecard

Our corporate scorecard is central to how we manage and monitor our performance. It comprises measures aligned to our mission of saving lives on roads and getting lives back on track.

In 2023–24, we met 11 of our 18 targets. These outcomes reflect areas of success and opportunities for improvement and will guide our actions over the next 12 months.

One of the most devastating outcomes was that 2023 was the worst year for lives lost on the road since 2008. We also saw an increase in serious injuries to 1,269 people – 109 more people than in 2022. These results are completely unacceptable and we are continuing to work closely with our road safety partners to help turn them around in 2024 (see page 20 for more detail).

On a more positive note, we saw some significant improvements for client outcomes in 2023–24. We assisted 1,031 of our most seriously injured and complex clients back into jobs, exceeding our target of 915 clients and representing an increase of 81 clients compared to 2022–23. The percentage of clients who became independent of the scheme also increased compared to last financial year – from 70.6% to 71.7%.

Another area of improved performance was client service. Decision quality increased by 2.8% when compared to the previous financial year, while call quality improved by 5.7%.

# **Measurement framework review**

The current TAC corporate scorecard was introduced on 1 July 2016 to align with the TAC 2020 Strategy. Over the 2023–24 year, we reviewed our measurement framework to align it with the refreshed TAC Strategy and developed a new scorecard that is fully integrated and aligned with our strategic goals.

To improve our strategic focus, we have implemented two tiers of measurement. The Make Every Day Matter scorecard will be simplified to only highlight the long-term strategic outcomes we're aiming to achieve. The second tier – called Goal Performance Signposts or GPS – will contain shorter-term measures used to track the impact of our actions against the longer-term outcomes.

To keep us on track, we continue to utilise our monthly data and analytics reporting. These live insights are already paying off as they allowed us to implement a comprehensive performance uplift plan in the second half of the financial year, which drove improved service responsiveness and shorter decision wait times for clients.



Table 1: 2023-24 TAC corporate scorecard

Area	Measure	Actual	Target	Resu
Road safety	1 Lives lost (#) (2023 calendar year)	295	173-220	
	2 Serious injuries – TAC hospitalised claims MAIS* 3+ (#)	1,269	1,196-1,246	
	3 Community sentiment (%)	48.0	48.0	<b>✓</b>
Commentary (Measures 1 to 3)	The increase in lives lost has been driven in part by a substantial incre the highest number of crashes where four or more people were killed s		•	ive see
	We have also seen an increase in MAIS 3+ injuries in 9 of the 12 mont period last year. Current reviews are underway to look at post-COVID till conclude further post-COVID trends.		•	
	Road safety is a complex issue and we continue to invest heavily in quapage 25) to help us better understand the causes of accidents and the	-		
Client reported	4 Client outcomes score (/10)	6.70	7.00 (6.85-7.15)	
	5 Client experience score (/10)	6.78	6.90 (6.75-7.05)	<b>✓</b>
Commentary (Measures 4 & 5)	The client outcomes score fell short of target, but remains statistically since last year and met target. We will continue using our annual Clien responses to help us identify and address client pain points and deliver	t Outcomes	and Experience surv	ey
Client outcomes	6 Back to work achieved: 0 to 6 months (%)	70.3	71.0	
	7 Back to work achieved: relationship mgmt and independence (#)	1,031	915	<b>✓</b>
	8 Independent of scheme (%)	71.7	73.0	
Commentary (Measures 6 to 8)	While we missed our target for clients back to work in 6 months, a record-breaking number of clients achieved back-to-work outcomes. We fell slightly below our 'independent of scheme' target due to delays in wait times and lodgements.			
Client service	9 Quality measure: decision quality – ERCO <sup>†</sup> (%)	94.1	90.0	<b>✓</b>
	10 Quality measure: call quality – TSHC <sup>‡</sup> (%)	89.3	80.0	<b>√</b>
Commentary (Measures 9 & 10)	Our performance consistently surpassed expectations across both quato excellence. The feedback received from Real Time Feedback and su delivering respectful and sensitive customer service, and maintaining	rveys underso	cores our dedication t	
Client service (cont.)	11 Common law resolution timeline (mths)	48.4	48.5	<b>✓</b>
Commentary (Measure 11)	Despite challenges in the Accident to Serious Injury (SI) lodgement pro proactive measures were implemented to minimise delays and expedit track.			
Client service (cont.)	12 Client planning rate (%)	88.9	90.0	
Commentary (Measure 12)	Client planning continued to be a significant focus during the financial our 90% target for the first time since MyPlan was introduced. Howeve critical to ensuring accurate representation of our planning outcomes.	r, addressing		
People	13 Sustainable engagement (%)	69.0	77.0	
	14 Health, safety and wellbeing	Advanced	Advanced (4 levers advanced)	<b>✓</b>
		no otoblo, bol	ding an overarching n	naturit
•	The Health Safety and Wellbeing (HSW) maturity level at the TAC remains of 'Advanced'. Through this period, we have continued to progress HSV which has required a concerted and strategic effort.		atives and workforce s	suppor
Commentary (Measures 13 & 14) Financial	of 'Advanced'. Through this period, we have continued to progress HSV		atives and workforce s	suppor
(Measures 13 & 14)	of 'Advanced'. Through this period, we have continued to progress HSV which has required a concerted and strategic effort.	V-related initia		suppor
(Measures 13 & 14)	of 'Advanced'. Through this period, we have continued to progress HSV which has required a concerted and strategic effort.  15 Economic insurance result (\$ million)	V-related initia	667.1	suppor
(Measures 13 & 14)	of 'Advanced'. Through this period, we have continued to progress HSV which has required a concerted and strategic effort.  15 Economic insurance result (\$ million)  16 Performance from insurance operations (\$ million)	1,252.2 1,129.3	667.1 244.7	suppor

\*MAIS: Maximum Abbreviated Injury Scale † ERCO: Entitled, Reasonable, Clinically justified, Outcome-focused †TSHC: telephone service health check

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# **About us**

For the past 37 years, the TAC has played a pivotal role in saving lives on Victoria's roads and providing a safety net for those who have been injured as a result of a transport accident.

The Transport Accident Commission (TAC) officially commenced on 1 January 1987 as a result of the Victorian Parliament passing the *Transport Accident Act* 1986 (the Act).

When the organisation officially commenced, its primary aims were:

- 1. To administer a compensation scheme for those impacted by road trauma.
- 2. To promote safe transport use and the prevention of transport accidents.

While a lot has changed since our organisation started, our determination to fulfil these aims remains resolute.

Since 1 January 2023, we have reported to the Victorian Department of Treasury and Finance (DTF) as our portfolio department.



# How we work

# **Our purpose**

To care for the lives of everyone who travels on Victoria's roads.

We care about every single person who travels on Victoria's roads and we have their best interests at heart. It's why we're pushing the envelope to prevent road trauma. And it's why we're always looking for new and improved ways to support those who experience it.

# **Our values**

Developed by our people, our values underpin every aspect of our organisation. They guide what we do, how we think and, importantly, the way we respond to, and support, Victorians impacted by road trauma.



### We value life

We value all lives and are committed to investing in a road safety system that protects all users from harm. Through quality, respectful and timely supports and services, we help our clients get their lives back on track as quickly as possible.

Our value for life also extends to our own people. We know that prioritising their wellbeing leads to a healthier workplace and better outcomes.



# We make every conversation count

We know that trust is built and reinforced one conversation at a time. We ensure the conversations we have with colleagues, clients, partners and our community are authentic, heard and acted upon.



# We will find a better way, today

Our people are empowered to be innovative and creative, and to always seek better ways to care for our clients and to prevent road trauma.



# We make the complicated simple

We break down barriers that get in the way of achieving success. We simplify the way we do things and the interactions we have – for our clients, our partners and the broader community.

# Helping those impacted by road trauma

The TAC is a Victorian Government-owned agency established under the Act and funded through a compulsory charge on vehicle registrations.

Our 'no-fault' scheme provides all Victorians with the peace of mind that, should they be injured in a vehicle accident, their medical and rehabilitation costs will be covered – regardless of who is at fault.

If fault can be proved, our scheme provides proactive common law benefits, which are delivered according to our established legal protocols.

We cover the costs of injuries that are the direct result of the driving of a car, motorcycle, bus, train or tram. We provide support services for people injured as a driver, passenger, pedestrian, motorcyclist, and, in many cases, cyclist.

Compensation can vary from income support during the period of recovery, to the payment of a lump sum in the event of serious and lasting impairment and injury.

We deliver these supports in a caring, efficient and financially responsible way to maintain the long-term sustainability of our scheme.

# **Advocating for safer roads**

Working with our road safety partners, we are committed to achieving the Victorian Road Safety Strategy 2021–2030 goals of halving the number of lives lost and serious injuries by 2030, and eliminating deaths from our roads by 2050.

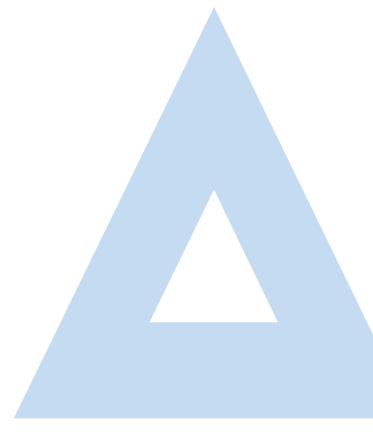
As an advocate of the Safe System approach, we believe these ambitious goals can be achieved by focusing on safer roads, vehicles, speeds and road users.

Our role, as part of the broader partnership, is to encourage everyone on Victorian roads to contribute to making the roads safer. We do this by investing in evidence-based road safety education programs and campaigns, partnerships and government engagements.

### **Our partners**

All our partners share the same vision of a future with no lives lost or serious injuries on our roads. Our key partners include:

- Department of Transport and Planning (lead road safety agency)
- Amber Community
- Ambulance Victoria
- · Department of Health
- Department of Justice and Community Safety
- Monash University Accident Research Centre
- Victorian hospital network
- Victoria Police
- Victoria State Emergency Service.



# **Preventing road trauma**

Road safety is always a complex challenge. However, 2023 was a particularly difficult year as 295 people lost their lives on Victorian roads. This is 54 people more than 2022, and the highest number of lives lost in 15 years.

Loss of life increased in regional and metropolitan Victoria, and there was a particularly concerning increase in driver and passenger fatalities, which rose from 128 in 2022 to 190 in 2023.

Along with our road safety partners, we remain committed to the ambitious road trauma reduction targets agreed to in the Victorian Road Safety Strategy 2021–2030. While 2023 was a devastating year on Victorian roads, the long-term trend and recent history tells us that we have the tools to turn it around.

# Highlights from 2023-24

- We invested \$97.7 million into marketing and road safety initiatives and an additional \$54.8 million into infrastructure projects designed to make roads safer.
- We announced the Safe Local Streets and Roads Program and began the process of engaging with local governments to manage the flow of infrastructure projects.
- We delivered road safety education to 80,366 young people via our Road to Zero Education Complex, launched a new Road Smart Interactive Program and developed new curriculum resources for schools.



Above: (left to right) Tracey Slatter, Geraldine Eales and Bernadette Nugent at the 11th annual Amber Community 'Shine a Light on Road Safety' walk in Albert Park, Melbourne

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# **Road safety data**

There were 295 lives lost on Victoria's roads in 2023. This is the third consecutive annual increase since 2020 and, while there have been some positive trends, there is still a lot of work to be done.

Crashes on high-speed roads continued to be a challenge in regional Victoria where people are often driving longer distances and fatigue is too often fatal. There were 173 fatalities on regional roads in 2023 – with 27 deaths recorded at high-speed intersections across regional Victoria (at or over 100 km/h), compared to an average of 12.

There was an unusual spike in crashes where more than one person died in 2023, and the number of passenger fatalities more than doubled. In 2023, there were six crashes where four or more people died – the most since we started keeping records in 1987.

While there is no obvious reason behind this increase, we know that three of the multi-fatality crashes occurred at high-speed intersections in regional Victoria – reinforcing the importance of driving to the conditions, avoiding distractions and obeying road rules.

These devastating figures serve as an important reminder that we must keep working hard to meet the ambitious targets set by the Victorian Road Safety Strategy 2021–2030.

# Lives lost in 2023 (1 Jan to 31 Dec)

# **Drivers**

**128** died in 2023

27 more than 2022 (+27%)

106 lives lost - 5-year average

## **Passengers**

**62** died in 2023

**35** more than 2022 (+130%)

**34** lives lost – 5-year average

# **Pedestrians**

**44** died in 2023

Equal to 2022

**37** lives lost – 5-year average

## **Males**

**206** died in 2023

27 more than 2022 (+15%)

172 lives lost - 5-year average

# **Cyclists**

8 died in 2023

4 fewer than 2022 (-33%)

11 lives lost - 5-year average

# **Rural**

**173** died in 2023

**38** more than 2022 (+28%)

**127** lives lost – 5-year average

# **Females**

89 died in 2023

28 more than 2022 (+46%)

60 lives lost - 5-year average

# Motorcyclists

**53** died in 2023

4 fewer than 2022 (-7%)

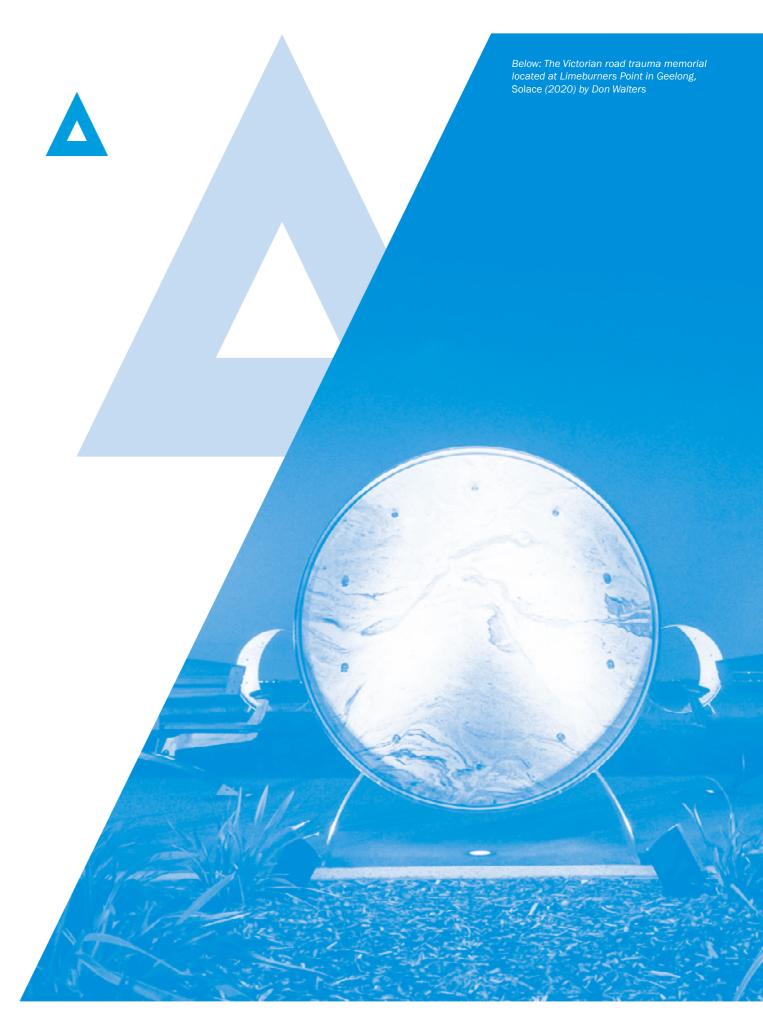
42 lives lost - 5-year average

# **Melbourne**

**122** died in 2023

**16** more than 2022 (+15%)

105 lives lost – 5-year average



# **Our road safety campaigns**

We have a long and proud history of delivering impactful road behaviour change campaigns in partnership with our road safety partners.

In 2023–24, our campaigns drew attention to a range of unsafe behaviours on the road including distracted driving, not wearing seatbelts, drink driving and driving tired. To encourage drivers to comply with road rules, we also implemented the next stage of our 'Always On Enforcement' campaign.

# Not just a bad look

In August 2023, we launched a social media series called 'Not Just a Bad Look' after annual Road Safety Monitor data revealed that apps are the biggest distraction to people who dangerously use their phones while driving.

The digital campaign highlighted the potential consequences of using a mobile phone while driving, such as being caught by police or causing an accident while distracted.

Each video ended with the driver switching on the 'Do Not Disturb' function of their phone and placing it out of reach in the glove box.

### This sash saves lives

We partnered with the Essendon Football Club early in the financial year to remind people that seatbelts save lives after road safety data showed that one or more vehicle occupants were not wearing a seatbelt in at least 10% of fatal collisions in 2023.

As part of the campaign, Essendon took the extraordinary step of replacing its iconic red sash with a seatbelt when they played against Collingwood at the Melbourne Cricket Ground on 25 August 2023.

The campaign had high visibility on game day, both at the match and on TV, and was supported with elevated digital activity that showed the team wearing seatbelt training tops in the week leading up to the game.

The campaign was designed to complement Victoria's introduction of seatbelt cameras in early 2023, as well as the 'Always On Enforcement' campaign message: 'Wear a seatbelt, not the consequences.'

# Stop kidding yourself. If you drink, don't drive.

While road trauma from drink driving has decreased in recent years, alcohol is still the drug most commonly implicated in fatal transport accidents, with close to one in five drivers and riders killed while over the legal limit.

Launched in early December 2023, our 'Stop kidding yourself. If you drink, don't drive.' campaign highlighted the dangers of low-level drinking and driving in the lead-up to the Christmas holiday season. It was prompted by data uncovered by the Road Safety Monitor, which revealed a concerning 48% of Victorians would still consider driving after two or more alcoholic drinks.

The campaign sought to challenge the misconception that blood alcohol concentration (BAC) can be kept under 0.05 by actions such as eating a large meal or drinking lots of water. The campaign's key message was to remove the guesswork by separating drinking and driving completely.

The campaign also drew attention to one of the mandatory penalties for all drink drivers caught in Victoria - having an interlock device installed.

# **Anywhere. Anytime. Anyone.**

Police enforcement is one of the strongest deterrents when it comes to unsafe behaviour on the road. For this reason. we launched a public education campaign in March 2024 to highlight police presence on the roads.

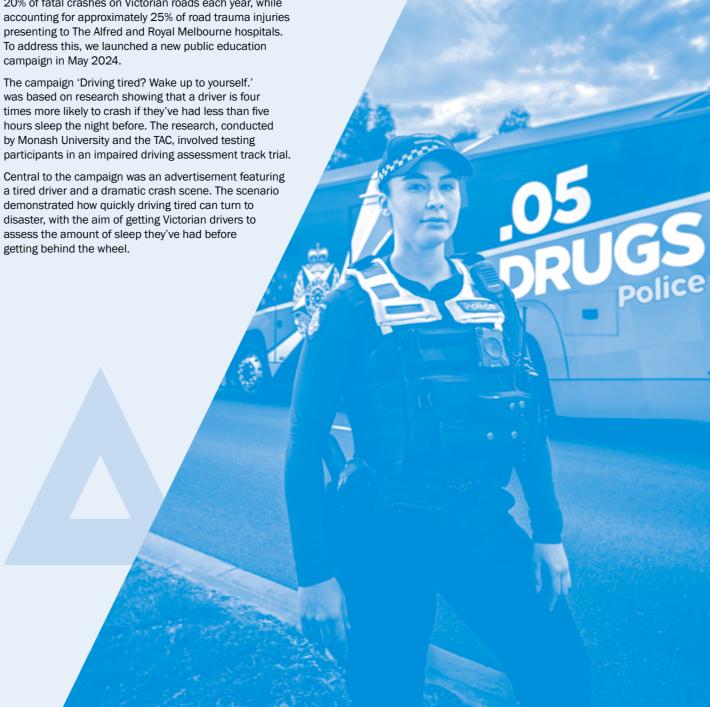
As the next stage in the 'Always On' enforcement campaign, 'Anywhere. Anytime. Anyone.' showed motorists that they will be caught if they put themselves and others at risk by doing the wrong thing. The campaign also showed the depth of police efforts to target dangerous road behaviours including speeding, drink and drug driving, seatbelt non-compliance and mobile phone use while driving.

# **Driving tired? Wake up to yourself.**

Driving while tired contributes to between 16% and 20% of fatal crashes on Victorian roads each year, while accounting for approximately 25% of road trauma injuries presenting to The Alfred and Royal Melbourne hospitals. To address this, we launched a new public education campaign in May 2024.

The campaign 'Driving tired? Wake up to yourself.' was based on research showing that a driver is four times more likely to crash if they've had less than five hours sleep the night before. The research, conducted by Monash University and the TAC, involved testing participants in an impaired driving assessment track trial.

a tired driver and a dramatic crash scene. The scenario demonstrated how quickly driving tired can turn to disaster, with the aim of getting Victorian drivers to assess the amount of sleep they've had before getting behind the wheel.



Above: An image from the 'Anywhere. Anytime. Anyone.' campaign

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# **Creating safer roads**

Creating safer roads is one of the core objectives of the Victorian Road Safety Strategy because it is a critical factor in reducing crashes and minimising serious injury.

The three most common road accidents in Victoria are vehicles leaving the road, collisions at intersections and head-on collisions.

In 2023–24, \$51.2 million of our total road safety infrastructure investment was directed to the Victorian Government's Safer Roads Program. This takes our total investment in the program to \$1.51 billion since its inception. Some of these funded initiatives were delivered in partnership with the federal government, as part of the Commonwealth Targeted Road Safety Package and Road Safety programs.

This funding targets high-risk accident locations with life-saving flexible barriers, roundabouts and run-off road preventions, such as wider shoulders and audio tactile line marking (also known as rumble strips).

In 2023–24, the Safer Roads Program, combined with federal programs, delivered:

- a further 18 km of flexible barriers, bringing the total amount of barrier installed under the program to 3,659 km
- 24 projects, bringing the total projects completed under the program to 1,127.

# **Targeted Road Safety Works**

We have committed \$26.1 million to the \$101.5 million Targeted Road Safety Works program – a joint Australian and Victorian Government initiative aimed at accelerating delivery of new infrastructure projects and continuing road safety improvements.

In 2023–24, the project delivered:

- the Pedestrian and Safer Schools program to 21 locations across the state, including schools, shopping strips and intersections
- intersection and road safety upgrades at three locations
- high-speed, high-risk rural intersection safety improvements at one location.

In total, 39 projects have been completed as part of this program.

# **The Commonwealth Road Safety Program**

We have committed more than \$130 million across the four tranches of the Australian Government's Road Safety Program, which includes over \$49.1 million for the 2024–25 financial year.

# **Safe Local Roads and Streets Program**

Crashes on roads owned and managed by local governments result in 41% of lives lost claims and 40% of serious injury claims.

To support the development and delivery of road safety infrastructure projects on local government roads, which represent about 87% of Victoria's road network, we started a project in July 2023 to deliver the Safe Local Roads and Streets program in partnership with the Department of Transport and Planning.

As part of the program, we have committed to investing \$210 million over four years to help all Victorian local governments plan, design and deliver Safe System infrastructure programs for their highest risk roads, intersections and precincts.

The program, which will be delivered in a staged approach, is expected to run until June 2027. The first 11 local governments to receive funding as part of the program included Brimbank, Monash, Casey, Yarra, Melton, Moira, Baw Baw, Central Goldfields, Great Bendigo, Murrindindi and Surf Coast Shire.



# **Road safety research**

We invest heavily in quality research to help us better understand all aspects of road trauma and its associated impacts. As well as looking for new technologies and interventions to make travel on Victorian roads safer, we also track long-term trends so we can be sure what we're doing today is having a positive influence on future road safety behaviour.

# **Top 20 Program road infrastructure trauma reduction monitoring**

As part of our Towards Zero 2016–2020 Road Safety Strategy, we funded VicRoads – now part of the Department of Transport and Planning – to deliver the Safe System Road Infrastructure Program. The projects that resulted from this arrangement saw road safety infrastructure, such as flexible barriers, wide centrelines and rumble strips, installed on 20 of Victoria's highest-risk rural roads. The final cost of this work, known as the Top 20 Program, is estimated at \$550 million.

To monitor the impact of this investment, we analysed road safety outcomes by matching injury claims data with the locations of road safety infrastructure. We also examined the severity of injuries sustained in road crashes by TAC clients before and after safety barriers were delivered.

Results showed major reductions in severe injury outcomes – 77% fewer fatalities, 94% fewer MAIS 3+ serious injury claims and 74% fewer hospital bed days occupied. Percentage reductions were greatest for severe injury outcomes, but were observed across all injury severity levels. A small number of residual severe injury cases were identified highlighting areas for further prevention efforts.

This data will be used for ongoing analysis and monitoring of the program's performance, providing a valuable tool for road safety authorities designing and implementing similar safety infrastructure.

## **Light Insights Trial continuation**

We know that people who ride bikes are some of the most vulnerable people on our roads as they are less protected in the event of a crash.

In September 2022, we commenced the Light Insights Trial (LiT) in partnership with See.Sense, Deakin University and the iMOVE Cooperative Research Centre. The purpose of the trial was to investigate the benefits of smart bike light technologies as a tool for gathering road safety data, helping to inform road safety improvements for cyclists.

In 2023–24, we continued the LiT program with a focus on partnering with local governments and researchers on specific projects. As part of this extension, we entered an agreement with the Surf Coast Shire Council in March 2024, providing 50 local cyclists with a See.Sense ICON3 smart bike light for a 12-month period.

The light captures anonymous data, including route popularity, braking patterns, crash incidents, swerving patterns, road surface roughness and average journey speeds. The data will be used to help shape future cycling infrastructure programs in the area.

# **Ongoing social research projects**

# **Road Safety Monitor**

Since 2001, we have conducted Road Safety Monitor research with licence holders and registered vehicle owners in Victoria. The survey findings are used to track and monitor road user behavior and attitudes. Our findings from this survey are used to inform public education campaigns and policy development.

In August 2023, we released findings from our latest Road Safety Monitor, which analysed data from a survey of 2,492 Victorians.

The research showed that apps were the biggest distraction to people dangerously using their phones while driving – 52% of respondents said they used a mobile phone in their hands while driving, and 45% of respondents reported interacting with an app.

The report also found that approximately 98% of respondents said they always wore a seatbelt when driving (a slight increase), while around 96% said they always buckled up as a passenger (a slight decrease).

Other key findings included:

- 3% of respondents reported drink driving when above the legal limit, which was down from 4% the previous year and a continued reduction from 6% in 2016
- 26% of respondents said they had deliberately exceeded the speed limit by 10 km/h or more, while 64% had done so by 3 km/h or more.

# **Motorcycle Monitor**

In October 2023, we released the results of our annual Motorcycle Monitor, which reported the findings from a survey of 949 Victorian motorcyclists. The survey covered a range of topics including travel habits, riding activity, speeding, fatigue, drinking behaviours and attitudes, and use of protective gear.

The results showed that, since the TAC's 'Protect your entire body on every ride' campaign started airing in early 2022, there has been an increase in the number of people wearing motorcycle-specific riding boots.

Additionally, most respondents said they did not participate in behaviour they perceived to be dangerous on a motorcycle, such as mixing riding with alcohol, even if they thought they were under the legal blood alcohol limit.

# **Younger drivers**

Of the 295 people killed on Victoria's roads in 2023, 59 were aged between 16 and 25. In the 18-to-25-year age bracket alone, there was a 33% increase in fatalities – from 39 in 2022 to 52 in 2023. These statistics are unacceptable.

We believe that educating young drivers is key to creating responsible drivers in the future. As such, we have a suite of initiatives aimed at helping young people at all stages of their driving journey – whether they are learning about driving or already on our roads.

# **Interactive road safety education**

## **Road to Zero Education Complex**

Visitation to our Road to Zero Education Complex in Melbourne remained high in the 2023–24 financial year, with more than 80,366 visitors. This brings the total number of visitors to 278,589 since Road to Zero opened in 2018.

More than 6,000 secondary school students participated in a Road to Zero curriculum-aligned road safety program in 2023–24. During their visits, students from Year 9 to VCE used their knowledge of health and science to address road safety problems in an applied and meaningful way. Teachers also had access to a range of curriculum resources to support and extend student learning.

Road to Zero hosted several international road safety delegations throughout the past year, including groups from Canada, South Korea, Indonesia, Namibia, Abu Dhabi, Vietnam and New Zealand. This was in addition to visits from the Western Australian Road Safety Commission, several local government authorities and other road safety stakeholders.

Our vehicle and helmet safety school holiday program also attracted 5,530 children and parents.

## **Road Smart Interactive**

We launched a new in-school road safety program in August 2023 called Road Smart Interactive. This evidence-based and highly interactive road safety education program is delivered in-school by a team of skilled road safety educators. The free program targets Year 9 to 11 students and those undertaking the VCE Vocational Major.

Delivered in partnership with Melbourne Museum, the interactive program uses the latest immersive technologies to guide students through a series of educational exercises. Students learn about safe road environments and safe vehicles, and explore the impacts of crash forces. They can also test their knowledge on key road safety issues.

The program features elements adapted from the Road to Zero Education Complex, which includes a virtual reality road trip that explores the history of road safety in Victoria and shows what a future with zero road deaths and serious injuries would look like.

Since its launch, 10,777 students from 80 Victorian schools have participated in the program.

# Researching road safety knowledge and practice in schools

In 2023, two comprehensive surveys were undertaken to measure the level of road safety knowledge, awareness and activities in Victorian primary and secondary schools. A total of 497 primary schools and 139 secondary schools participated.

Combined findings from the surveys show that there is an opportunity to increase road safety education and improve the road environment around Victorian schools. While schools often state that road safety is a priority (63% of primary schools and 56% of secondary schools), evidence suggests there is room for improvement in how schools deliver road safety education.

# **Road Safety Education Victoria website**

We launched roadsafetyeducation.vic.gov.au, a comprehensive new road safety education website, in July 2023. Aimed at teachers, schools and school communities, the website is a trusted information source for free, evidence-based road safety education programs, and contains resources suitable for early childhood through to secondary.

Visitors have consistently increased since the launch and the site was receiving an average of 2,600 visits per month at the end of the 2024 financial year.

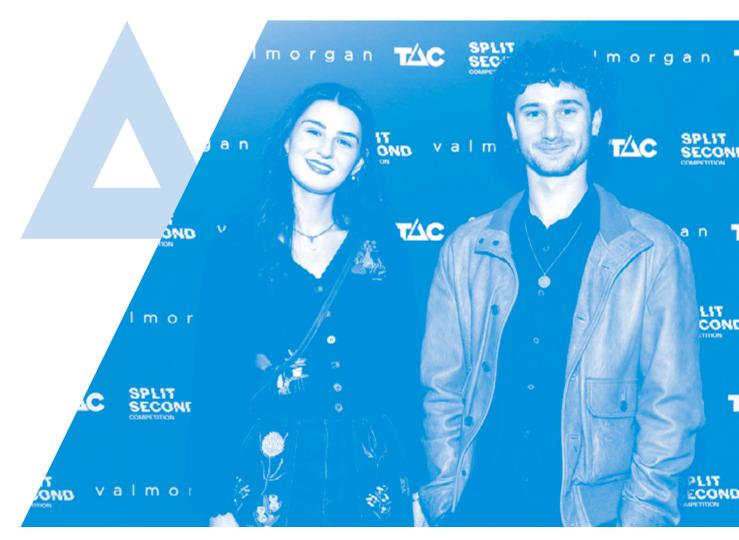
# **Starting Out Safely**

We fund the Starting Out Safely program, an early childhood road safety education program that operates in Victoria.

Developed through evidence-based research, in collaboration with leading early childhood experts, the program involves children, parents, carers and educators working together to guide children's learning to help them become safe and independent road users.

In 2023-24, the Starting Out Safely Program delivered:

- 25 Professional Development sessions for centre-based early childhood educators
- 20 Professional Development sessions for Family Day Care educators
- · 24 child restraint and booster seat sessions
- 10 child restraint and booster seat sessions at key public events
- 500 centre-based education sessions with road safety mascot Thingle Toodle.



Above: Sati Öcal (left) and Amon Mether at the 2023 Split Second Competition film premiere in Melbourne

# Winning films bring fresh take to vehicle safety message

The annual Split Second Competition gives young creatives the opportunity to produce impactful short films that address road safety issues relevant to their age group. The competition attracted more than 100 applications in 2023, with two young Victorian filmmakers selected to bring their creative vision to life.

Both winning concepts addressed the importance of vehicle safety – a critical issue given road safety data for the past five years shows that more than 70% of driver and passenger fatalities among 18-to-25-year-olds have been in vehicles more than 10 years old, which typically lack modern safety features.

The winning film was shared on the big screen in Val Morgan cinemas, while the runner-up's film was promoted through social media. 'Everyone was looking up to me for my opinion... it was unreal. I highly encourage other young aspiring filmmakers to apply for this unique opportunity.'

- Sati Öcal, 2023 Split Second Competition winner

'I expected my role to be tokenistic, but I found the opposite to be true. My opinions were respected and challenged.'

Amon Mether, 2023 Split Second Competition runner-up

# **Our engagement programs**

We believe local governments, clubs and grassroots organisations play a pivotal role in keeping their communities protected and connected.

We foster strong connections with these groups, and many other organisations, as a way of delivering better and more targeted road safety outcomes.

Some of the initiatives we supported in 2023–24 include:

# **TAC Road Safety Grants**

Eight Victorian community groups and organisations were awarded a share of more than \$400,000 as part of the new and improved TAC Road Safety Grants in February 2024.

Successful applicants included:

- The Clontarf Foundation applied for \$93,000 to improve safety outcomes for Aboriginal and Torres Strait Islander youth, increasing access to the Graduated Licensing System through professional driving lessons and road safety education.
- Victoria Walks applied for \$149,270 for a project aimed at understanding community sentiment around safety in local streets and ways to promote road and street environments that support safe and active travel.

Four organisations – Big Group Hug, Kidsafe Victoria, Mobility and Accessibility for Children in Australia, and On Country Pathways – successfully applied for Support Grants of more than \$30,000, with funding going to a variety of projects supporting vulnerable road users, children and young drivers.

Two small grants of \$5,000 were awarded to Jika Jika Community Centre and Traralgon College to help them deliver programs to improve cyclist safety in their communities.

## **TAC Local Government Grant Program**

We announced more than \$2 million worth of grants for local councils to improve road safety for vulnerable road users in 2023–24, with 40 Victorian councils receiving funding under the annual TAC Local Government Grant Program.

Projects funded through the grant program are required to use Safe System principles and focus on reducing crashes involving pedestrians and cyclists, as they are most vulnerable to road trauma.

The Safe System is a holistic approach to road safety that recognises different elements of the road environment must work together to keep everyone safe – these elements include roads and roadsides, vehicles, travel speeds, and road users.

#### **Vanessa**

Our youth program, Vanessa, continued to attend events during the summer of 2023–24 to share road safety messages with young people aged 18–25.

Vanessa activated at 11 regional and outer metro music events, with a focus on breath testing and drug drive messaging. The program provided breath testing and peer-to-peer messaging about road safety to more than 6,700 young people, delivering 5,590 breath tests, and working across 10 local government areas.

Event partnerships delivered digital marketing to amplify the Vanessa key messages and prepare young people to plan their travel home. The marketing reached over 34,000 young people via social media platforms, website and electronic direct mail communication.

## A pause from the road might save your life

Pause Stops are designed to raise awareness of the risks of driving while fatigued while also helping motorists plan their trip, take regular breaks and enjoy the local sites in each region.

In 2023–24, we worked in partnership with Victoria Tourism Industry Council to extend the Pause Stop program and make it a permanent year-round resource for travellers in 15 Visitor Information Centres across Victoria.

We also worked collaboratively with the Victoria State Emergency Service to increase coverage of the volunteer-led Driver Reviver Program. As part of this program, we delivered:

- five pop-up Pause Stop activations during high-travel long weekends
- eight activations during high-travel periods over Easter (Morwell, Lakes Entrance, Balmattum, Bright, Lismore, Dunkeld, Marong and Bendigo)
- an AFL-themed Pause Stop activation for Victorians driving to South Australia for Gather Round (in partnership with AFL Victoria).

Overall, these activations allowed us to engage with over 20,000 travellers and the supporting digital campaign reached over 4 million Victorian road users.

### **Booster Tag**

The Booster Tag program is designed to engage parents and carers of young children and educate them about height guidelines for booster seats. The program highlights that by keeping children in booster seats until they outgrow their Booster Tag t-shirts, they will be safer.

In 2023–24, the Booster Tag initiative was present at Djerriwarrh Festival, Moomba Festival, Casey Kids Carnival, Pako Festa and The Royal Melbourne Show.



# **Future Road Competition**

In July 2023, we launched the Future Road Competition, inviting engineering students from Monash University, RMIT University, Swinburne University of Technology and Deakin University to challenge their Safe System knowledge and skills.

The Future Road Competition was based on a real-world project funded by the TAC, located in the Mildura Rural City Council. Students gained insights into the design process and applied conceptual designs as part of their submissions.

The competition received 15 team registrations made up of 46 students from the four universities. Submissions were evaluated by a panel of industry experts with four finalists awarded a share in \$12,000.

The two winning teams presented their Safe System proposals at the Future Road Symposium Event, which was attended by key road safety and university stakeholders.

This unique project cements our position as a national leader in initiating, incentivising and influencing the education of future road safety engineers, paving the way for future excellence in the field.

# **Amber Community**

Our partnership with Amber Community helps the organisation provide free, professional, face-to-face and telephone services to thousands of Victorians affected by road trauma.

In 2024, we once again supported the organisation's annual 'Shine a Light on Road Safety' walk, which was attended by more than 700 people and raised important funds to support injured and bereaved Victorians.

'Every person here is walking in the hope that we can change the attitude and complacency around the road toll because we're not talking about numbers – we're talking about lives'

 Geraldine, Amber Community volunteer and lived-experience volunteer



# **Tegan's story**

Tegan's left arm was crushed when the car she was travelling in spun out of control and collided into a power pole. She was just 18 and a backseat passenger. It was schoolies weekend and the L-plater who was driving the car was not driving to the conditions.

Tegan's injuries required extensive and ongoing treatments.

'What followed was lots of physical therapy and learning how to reuse my arm and get movement and motion back. I have a lifelong very visible scar on my arm, arthritis in the elbow from the scar tissue, ongoing but currently manageable pain, shortness in my left arm, as well as tingling and numbness sometimes.'

The accident stalled Tegan's career path and sidelined her from playing sport. But it empowered her to be an advocate for road safety in her own community, where she's been a key participant in the Springvale Districts Football Netball Club's efforts to keep its members safe.

She is also an ambassador for Road Safety Round, a grassroots campaign targeting football and netball clubs, run annually by the TAC in partnership with AFL Victoria.

'I am now so incredibly mindful to drive to the conditions of the road and the vehicle I'm in,' Tegan says.

'Things happen in a second. Whilst I'm lucky, it could have been a lot worse, I live with the knowledge every day of how life-altering an accident can be, and how quickly things can go wrong and just how serious the consequences are and can be.'

# **Partnerships and sponsorships**

The primary goal of our partnerships and sponsorships program is to work with organisations and events that can support us to promote road safety messaging to priority audiences.

Our secondary goal is to educate and influence the organisations and communities we're working with to further embed safer road behaviour into their culture.

For a full breakdown of all our partnership and sponsorship activity in 2023–24, refer to the tables on pages 32 to 34.

# Be Seen. Be Safe. Share the road.

The 2024 TAC People's Ride drew more than 3,000 keen cyclists to the Geelong region. With Cadel Evans and ambassador, AFLW great Daisy Pearce, fronting the pack, the event was used to promote our cycling safety message: 'Be Seen. Be Safe. Share the road.'

Our employees shared safety advice at the event via a dedicated video message aired on big screens across the Geelong Waterfront, and everyone was invited to attend Club Allez – our dedicated space encouraging safety on the roads.

We have been a proud partner of the Cadel Evans Great Ocean Road Race since the race's inception.

# If we all get home safely, everyone wins

With close to one in five drivers and riders killed on the state's roads over the legal limit, our new campaign with Country Racing Victoria, 'Ready' urged racegoers to separate drinking and driving.

While building excitement for the upcoming Country Cup season, the campaign reminded racegoers that they are only truly 'ready' to go to the races once they have made plans to get home safely at the end of the day. It highlighted the various transport options available to regional racegoers, while also providing an important reminder of the tragic outcomes that can result from drink driving.

The campaign was shared on social media with 875,000 digital users in the run-up to country race events across Victoria, and then on digital displays and racebook advertising at all 67 Country Cups. We also held physical activations at 20 Country Cups across regional Victoria and supported shuttle buses at some racing venues via the TAC Safe Travel Grant program.

## The festival season's Ultimate Road Crew

More than 695 Victorians nominated their 'Ultimate Road Crew' as part of our partnership with the Victorian music festival, ALWAYS LIVE, during the 2023–24 summer season. The competition celebrated the unsung heroes in friendship groups, including designated drivers, the public transport planners and friends who offer their couch as an alternative to driving home.

We first partnered with ALWAYS LIVE in 2022 to increase awareness of key road safety issues with high priority road user cohorts, such as young drivers and those living in regional and rural Victoria. The partnership's overarching message – Keep the Band Together – is a call to concert audiences to think about their loved ones, make safe choices on the road, plan ahead and avoid drink driving.

## **Support for AFL Victoria**

Our 31-year partnership with AFL Victoria aims to empower clubs to develop a culture where all players and members are expected to be safe on the roads. The partnership supported the following activities in 2023–24:

#### **TAC Club Rewards**

The purpose of the TAC Club Rewards program is to empower clubs to develop a culture where all players, officials and supporters are expected to champion road safety.

We had an impressive response to the program in 2023 with 254 football and netball clubs across Victoria sharing in \$600,000. This is the highest number of clubs involved in the program since it began five years ago. The key focus of the 2023 campaign was the dangers of distracted driving.

A collection of social media videos was developed to support this year's program, encouraging viewers to play their role and put the phone away – whether they're driving their kids to training or heading home with a teammate after a win.

# Thousands 'band together' for Road Safety Round

In July 2023, former AFL player Mitch Wallis shared his family's heartbreaking personal story as part of the fourth annual Road Safety Round. Mitch's mother-in-law, Katie, was tragically killed in 2022 when she was hit by a car crossing the road. The devastating accident occurred just days before Mitch's wife, Emily, gave birth to their second child.

Thousands of people from country and suburban football and netball clubs wore 'Band Together' blue armbands to honour people killed on Victorian roads during Road Safety Round, showing their commitment to playing their role in reducing road trauma

The annual round helps us reach the thousands of Victorians covering hundreds of kilometres on the state's roads for games and training each year.

The 2023 campaign showed Road Safety Rounds holds as much impact as ever, achieving significant media coverage with a 56.3 million reach.



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# **Partnerships: the year in review**

Below is a full account of our partnership and sponsorship activity over the 2023–24 financial year.

# Theme 1: Road safety partnerships

Partner	Amount	Purpose	Outcomes
AFL Victoria (see page 30)	\$800,000	To engage and reward clubs for their proactive road safety efforts through the TAC Club Rewards Program.  To encourage conversations about road safety as part of Road Safety Round.  To promote the L2P program with culturally and linguistically diverse young people as part of the Unity Cup.  To deliver key messages around speeding, distractions and drink driving.	We directly engaged with 170,000 participants and 78,000 volunteers across 1,100 football and netball clubs around Victoria, delivering critical road safety messaging.  The Unity Cup enabled us to directly engage with over 500 participants from 50 hubs around Victoria.  Club Rewards funding received 254 applications from clubs that had implemented some road safety initiatives.  The 'Band Together for Road Safety Round' achieved significant media coverage with a 56.3 million reach.
Always Live (see page 30)	\$375,000	To communicate impactful messages around drink and drug driving as part of Always Live, a state-wide music festival delivered across Melbourne and regional Victoria.  To share the 'Keep the Band Together' campaign, as led by Natalie Bassingthwaighte and Budjerah.	Through Always Live, we were able to activate the campaign through 53 media articles reaching over 1.8 million social media users.  The competition raising awareness of separating drinking from driving received 695 entries.
Australian Moto GP	\$267,500	To leverage the 'Only Protected for a Moment' advertising campaign and support an at-event activation 'Who do you gear up for?' with the ultimate objective of influencing motorcyclists to wear protective gear on every ride.  To raise awareness of MotoCAP – the independent testers of protective gear quality, supporting motorcyclists to make informed choices when purchasing protective gear.	A strong brand presence across the circuit with big screen ads and prominent signage ensuring high frequency exposure of TAC key messages to the crowd of 90,000.  We engaged in direct conversations with over 11,000 motorcycle riders over the four-day event and received 4,675 survey responses, which gave us critical data and insight on the behavioural aspects of riders wearing protective gear.  TAC messaging featured throughout the event's social channels (65,083 impressions), electronic mail (27,499 reach) and website (63,281 impressions).
Bendigo Spirit	\$345,000	To deliver a 'Drive safely for everyone' key message to regional audiences via the Bendigo Spirit WNBL basketball team.	Bendigo Spirit players conducted clinics at Victorian schools delivering road safety messages. The partnership also delivered match-day branding, as well as radio and digital amplifications, to in-person attendees and broadcast viewers.
Cadel Evans Great Ocean Road Race (see page 30)	\$200,000	To deliver messaging directly to cyclists about the importance of being highly visible on the road, and also retain naming rights to the TAC People's Ride.	TAC delivered vital road safety messages directly to over 3,000 participants in the Cadel Evans People's ride and over 140,000 spectators in-person, as well as digital amplification.

Partner	Amount	Purpose	Outcomes
Country Racing Victoria (see page 30)	\$400,000	To promote the 'Ready' campaign to encourage attendees of country race meetings across the state to plan ahead, raise awareness about the dangers associated with drink driving and ensure they have a safe way of getting to and from the track.	The integrated 'Ready' campaign encouraging racegoers to pre-plan their journey was shared with over 875,000 digital users.  We also delivered activations at 20 Country Cups, providing breath testing and promoting messages discouraging drink driving to over 60,000 patrons.
		To help people get home safely by offering free and heavily discounted shuttle bus services from Country Racing Clubs as part of the TAC Safe Travel Grants Program.	
Golf Australia	\$400,000	To promote the 'Victoria's Straightest Driver' competition, which emphasised the importance of prioritising safety in vehicle purchases, and educating the golf community	We engaged directly with over 2,500 community members at the Victorian Golf Open, promoting the How Safe is Your Car website, and reached a further 7,000 on-site at the activation.
		about active vehicle safety features – specifically Lane Keep Assist.	Our digital reach was 34,000 and we received 421 competition entries.
		To support an event for all-abilities golfers to help people who have suffered road trauma get their lives back on track.	Up to 316 local golf clubs were also engaged with the key road safety messaging.
Rugby Australia (Melbourne	\$350,000	To engage with Melbourne Rebels and Rugby Victoria participants and fans to	We promoted a separation of drinking from driving message at Melbourne Rebels matches.
Rebels)		raise awareness of road safety among this community.	We integrated key road safety messages through social media, direct emails and in-person.
		To amplify road safety messages in regional areas as an 'official community partner' and through the introduction of a dedicated road safety round and club engagement.	
Melbourne Victory	\$400,000	To promote our 'Distracted Driving' campaign to members and supporter communities, which include strong representation from culturally and linguistically diverse communities.	We engaged the Melbourne Victory 22,500-strong membership base, and the broader A-League community, with vital road safety education messages.
			We were the naming rights partner for the All Abilities Gala Day held at Gosch's Paddock. We also worked closely with Victoria Police to bring a group of at-risk youth to a Melbourne Victory match to engage with them.
TEG	\$1,200,000	To amplify road safety messaging with three TEG events in Melbourne – the Australian Boomers, NHL Series and Dreamhack.	NHL and Boomers – in-person event branding was delivered to over 48,000 attendees and messaging was also delivered directly through TEG and Ticketek, as well as the broadcast.
			Dreamhack enabled direct engagement with a large number of target audience members to promote youth-focused road safety messaging.
Victoria Tourism Industry Council (see page 28)	\$200,000	To prevent fatigue-related serious injury and lives lost, we partnered with the Victoria Tourism Industry Council to amplify our Pause Stop message to audiences via Visitor Information Centres, industry partners, and by becoming naming rights partner of the TAC Top Tourism Town Awards.	All 61 visitor centres were equipped with social media messaging, 33 centres were supported with collateral materials and 15 premium sites were provided with physical activations.

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# **Theme 2: Lives back on track partnerships**

Partner	Amount	Purpose	Outcomes
Amber Community (see page 29)	\$756,000	To help Amber Community, a not-for-profit organisation, to offer free trauma counselling supported by trained counsellors to anyone who has been impacted by road trauma in Victoria.	This important contribution helped the organisation deliver counselling services to anyone directly or indirectly involved in road trauma.
Road Trauma Families Victoria	\$30,000	To help Road Trauma Families Victoria, a not-for-profit organisation formed by families directly affected by road trauma, to serve individuals, victims and groups within the community either affected by, or at risk of, becoming a victim of road trauma.	In 2023, the TAC supported the Raw2Roar Camp, which brought together young people aged between 12–17 who have experienced road-related trauma, grief and loss, with the aim of promoting positive self-esteem and values via resilience-focused interventions.

# Theme 3: Geelong liveability and our people partnerships

In 2023–24, we continued to support initiatives that contribute to the community in and around our headquarters, promote road safety and enhance liveability.

Some of the noteworthy contributions that we made include:

# Give Where You Live: \$75,000

In addition to our Platinum Sponsorship, in 2023 we supported the Conversations that Matter event, which was held during National Reconciliation Week to provide a platform for the local community to hear directly from First Nations Peoples.

# **Barwon Health Foundation: \$15,000**

We were naming rights sponsor of the TAC All Abilities category in the annual Run4Geelong event, which attracted a total of 3,000 participants.

# **Other contributions**

Other contributions we made to Geelong-based organisations in 2023–24 included:

- Barwon Sports Academy: \$20,000
- Committee for Geelong: \$24,250
- Geelong Chamber of Commerce: \$31,750
- Geelong Food Relief Centre: \$20,000
- Geelong Region Alliance (G21): \$13,500
- GenU: \$10,000
- Pako Festa: \$10,000
- Wadawurrung Traditional Owners Aboriginal Corporation: \$4,000



# **Supporting people affected by road trauma**

In 2023–24, we supported 44,989 people in their recovery from a vehicle accident.

Many of these clients will recover quickly from their injuries, requiring less support to resume their life and work pursuits. Others will experience significant mental and physical trauma requiring ongoing care and support – for weeks, months, years and, in some cases, a lifetime.

No matter their story, helping our clients to achieve the best health outcomes is at the centre of everything we do. We are more conscious than ever of providing support that suits each individual's personal needs and giving them a say in their recovery and life back on track goals.

# Highlights from 2023-24

- Our call centre took 172,000 calls and received a call quality rating of 89.3% – over 11% higher than our target.
- We paid a record \$1.81 billion to help our clients get their lives back on track
- We supported just over 70% of clients back to work by six months post-claim, which is the highest result we've achieved on this measure since its inception.
- We achieved our highest client satisfaction score since November 2021 (average of 6.70 out of 10).



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# **Responding to major trauma**

The Major Accident Response Plan (MARP) was established in the wake of the 2017 Bourke Street tragedy to provide fast and targeted support to those impacted by a major accident.

Since then, MARP has been put on an alert footing 22 times and activated four times – most recently in response to a tragic multi-fatality accident in Daylesford.

On Sunday 5 November 2023, five people lost their lives, and an additional six people sustained significant injuries, after a vehicle lost control and ran into a beer garden at the Daylesford Royal Hotel. MARP was activated due to the scale of the trauma involved with this tragic incident.

As part of the process, our people worked directly with hospitals – including the Alfred, Ballarat, Bendigo, Daylesford, Royal Melbourne and Royal Children's hospitals – and with the Victoria Police Major Collision Investigation Unit. We also liaised with the Hepburn Shire to ensure Daylesford residents, and those who witnessed the accident, were supported.

A MARP activation brings together many arms of the business, usually starting outside business hours, with staff going above and beyond to make sure help flows quickly and seamlessly to those in need.



# **Helping clients get back to work**

Getting back to work after a vehicle accident is good for mental and physical health and can help with longer term recovery and restoring independence. Being at work allows our clients to be active, provides a social network and financial security.

For these reasons, we place a strong emphasis on supporting clients back into their existing job, or helping them find new employment that better suits their post-accident goals.

In 2023–24, a record-breaking 70.3% of our clients (1,266) achieved back-to-work outcomes within six months of their accident and no longer needed TAC income support. In addition, 955 of our most seriously injured clients achieved back-to-work outcomes, in keeping with their own TAC MyPlan recovery goals. This cohort includes clients whose lives have been significantly altered by their accident.

A total of 71.7% of clients became fully independent of our scheme – requiring neither financial support nor ongoing rehabilitation services – within six months of their accident.

'Dylan has returned to work full-time and I can only express our gratitude for the support that (he) has received. He has made great progress and the financial support and wonderful support from the various services have made a significant difference to his recovery. I have seen first-hand the incredible benefit having TAC support has had on my son.

'We could not have afforded the support he has received and it has allowed him to remain living in his home, gradually return to full-time employment and recover from his serious accident – physically, emotionally and mentally. Thank you so much to your organisation for the support that you gave Dylan.'

- Laurie, Dylan's mother

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# **Delivering better compensation and legal outcomes**

The trauma of being involved in a transport accident can last for weeks, months or even a lifetime.

Compensation entitlements, by way of an impairment benefit or common law claim, are available to clients who sustain an ongoing life-altering physical or psychological injury as a result of their accident, as long as they meet certain eligibility requirements. These payments are made in addition to other TAC benefits and payments, such as medical services and income support.

We are always looking for better ways to support clients through the compensation process as we know that it is an important way of supporting their recovery and restoring their independence.

# **Common Law and Impairment decisions**

In 2023–24, 1,352 Common Law settlements were paid to clients, delivering \$425 million in entitlements. In addition, a total of 1,475 Serious Injury decisions, which determine a client's eligibility for common law compensation, were made. This was an increase of 13% on the previous year.

Despite a growth in the accident to Serious Injury lodgement timeline, we managed to meet our corporate scorecard target, achieving an accident to Common Law settlement timeline of 48.4 months.

To help clients get their lives back on track as quickly as possible, we granted clients 128 proactive Serious Injury certificates to pave the way for a common law claim and potential settlement. This is the most we've granted since proactive compensation began in 2017, supporting our most seriously injured clients and delivering fairer and faster outcomes that can change lives for the better.

We also delivered 3,413 Impairment determinations – a 15.5% improvement on the previous financial year.

Timelines for the delivery of client impairment outcomes continued to steadily decrease as part of our commitment to improving the client claims process. The time taken from impairment process initiation to determination improved by two months compared to the previous financial year.

These are significant achievements and demonstrate our commitment to securing the right compensation outcomes for our clients at the earliest possible time.

# Key client outcome highlights for 2023–24

1.352

Common Law settlements were paid to clients, delivering \$425 million in entitlements

128

proactive Serious Injury certificates were granted to clients – the highest number we've ever granted

1.475

Serious Injury decisions were made – up 13% from the previous year

458

more client Impairment determinations than the previous year – an improvement of 15.5%

# **Optimising the TAC Protocols**

The TAC Protocols were established in 2005 in agreement with the Australian Lawyers Alliance and the Law Institute of Victoria. They aim to provide an efficient, fast and transparent process to deliver appropriate benefits and compensation to people injured in a transport accident.

Over almost 20 years, the Protocols have improved benefit delivery to clients and successfully mitigated legal costs, disputes and lengthy litigation. This is important as we know that earlier resolution of injured clients' compensation entitlements is better for their recovery, as is using alternative dispute resolution pathways.

The Protocols now comprise:

- · Joint Medical Examinations
- Serious Injury
- · Common Law Time Limits
- · Inclusion and Diversity: Shared Commitment
- Impairment
- Common Law
- No Fault Dispute Resolution
- Use of Authority to Release Information.

Building on the success of the Protocols, we recognise the value of clients' lawyers in considering and assessing proposals affecting clients and continue to work constructively with legal stakeholders in several forums.

The Protocols Working Group has continued to meet every quarter since the last revision in 2016. In 2023–24, the group launched the Protocols Optimisation program with a view to making the Protocols better still.

This program aims to ensure the Protocols remain relevant, make use of advances in technology, and continue to achieve our shared objectives: giving clients access to timely and fair compensation and alternative dispute resolution, and avoiding unnecessary litigation.

In addition to the above, the Legal Liaison Group facilitates discussion in relation to strategic issues, scheme performance and emerging trends, while the Legislative Working Group gives members input into proposed legislative and regulatory changes – delivering better outcomes and helping to identify unforeseen consequences of any proposed changes.

# A different way of restoring justice

In 2023–24, we took another important step toward delivering healing and closure for clients affected by road trauma after introducing a new Restorative Justice Project.

The new project builds on findings from an earlier pilot program, and will expand on our many and varied traditional client supports. It reflects our willingness to explore new and innovative supports that aid our clients in their recovery and will help us better understand the value of restorative justice in getting lives back on track.

As part of the project, we plan to explore new ways we can better meet the justice needs of our clients, such as supporting them to share their story, acknowledging the harm caused, facilitating apologies, and giving clients avenues and resources to help them become advocates for road safety and accident prevention.





SUPPORTING PEOPLE AFFECTED BY ROAD TRAUMA

# **Listening to our clients**

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Helping our clients return to health and employment sooner – or in the case of our severely injured clients, achieve a greater degree of independence – is at the heart of everything we do.

Every year, the TAC surveys more than 3,000 clients to gain a first-hand understanding of how our organisation is performing in the delivery of services – what we are doing right and how we can improve the services we offer.

Conducted twice a year, the results we get from our Client Outcomes and Experience surveys contribute to important business measures – the Client Satisfaction and Life Back on Track Outcomes scores – and form part of our annual corporate scorecard.

The feedback we receive is honest and helps shape our decision-making. It also highlights the challenges we face in finding the right mix of post-accident care to fit every client's personal recovery journey.

Participants in our 2023–24 Client Outcomes and Experience surveys gave a client experience score of 6.78 out of a possible 10 points, which was an increase on last financial year (6.63) and was within our target range (6.75–7.05). While the client outcome result (6.70) was below our target, the result was stable compared to the previous financial year (6.73).

Decision delays can slow client recovery and impact their experience with the TAC. We want to improve in these areas and are working hard to help clients get the treatment and services they need in the most time-efficient way to best support their recovery.

As part of the surveys, our clients also told us they would like for the TAC to be easier to contact and more responsive in returning calls. We have improved our call response rate over the financial year and will continue to focus on this so our clients can speak to us when they need to.

We will use all the data collected as part of the surveys to help us improve our scheme, supports and delivery of services.

#### Real-time client feedback

Clients have continued to share fast and honest assessments about our services in 2023–24 as part of our real-time client feedback mechanism.

Within 24 hours of receiving a phone call from the TAC, clients receive a two-minute survey asking them about the specifics of the phone call. Results from each survey flow into live dashboards that are used by our leadership team to track our organisation's performance.

In 2023–24, more than 3,500 clients shared their experience with us. The average satisfaction score received from clients in 2023-24 was 8.18 out of a possible 10 points.

As part of the feedback, many clients spoke highly of the empathetic and caring nature of our staff, and the friendly and helpful service they received.

# Better protections for clients, families and carers

Our TAC Safer Services Support program provides an important communication channel to protect our clients from abuse or neglect by TAC-funded service providers. It forms part of our Quality and Safeguarding Framework and provides an important layer of protection for our clients, their families, and carers.

The program provides a dedicated phone line and two separate email addresses to directly field reports, concerns and questions around care and provider performance. Complaints can relate to anyone funded by the TAC, such as allied and medical health providers, disability support, attendant care or domestic service.

# Safeguards for people living with disability

TAC clients living with disability will benefit from the Victorian Government appointment of a new Social Services Regulator. Introduced from 1 July 2024, the new regulator will oversee strengthened protections for all disability service users.

We proactively advocated for this change after identifying a gap in existing protections for our most seriously injured clients. The change means that all TAC-funded disability providers in Victoria will fall under the same regulatory framework, giving our clients the same legislated access to safe, quality and regulated services as others living with disability.

# **Supporting culturally diverse communities**

Inclusion and connection to community are vital for our clients to recover from their accidents. Through the formation of our dedicated TAC Cultural and Linguistically Diverse (CALD) working group, we are continually looking for ways to better reflect and support the community we serve.

The focus of our CALD Working Group is to assist clients that have communication needs owing to their language and cultural differences. Our approach is to understand their needs pre-and-post transport accident and deliver tailored support in a way that respects, and is sensitive to, their diversity requirements.

The CALD Working Group is made up of staff from across the business who come from diverse backgrounds and speak more than one language. Due to the group's work, the TAC's webpage now hosts a central hub of information with road safety information in 12 languages.



# Leigh's story

Leigh was never expected to walk again, let alone resume her passion for riding horses, after a serious accident left her with shattered bones, a punctured lung and an acquired brain injury.

With the same fearless determination that saw her become the first female to win Mansfield's famed Great Mountain Race in 1990, Leigh set about rebuilding her life one goal at a time.

Prior to her accident, the original 'Girl from Snowy River' was a talented equestrian rider and was creating a name for herself as a professional jumps jockey. Thirty years on, Leigh is a motivational speaker and has not only resumed track riding, but is still aiming to take on the jumps once again.

'I remember not being able to breathe and thinking to myself: "If I can just breathe everything else will be easy." But riding was my main goal, and I knew I was going to have to walk first to get back on a horse.

'Riding is my life, and the TAC has given me that opportunity. I've had great case managers and they've been amazing in always giving me the chance, if I've had doctors' approval, to try anything new and to keep pushing the

Leigh will shortly undergo further surgery and is looking forward to taking possession of a state-ofthe-art neuro-modulation suit, which will further assist with her mobility

Even with everything she has been through, Leigh's positive attitude remains firmly intact.

'I'm lucky to be in the position I'm in and I love life. Who knows how far I'll go? Nobody can put a limit on my will.'

# Improving client experience

In 2023–24, we paid a record \$1.81 billion in benefits to support 44,989 people with their post-accident recovery.

We are incredibly proud of the services we offer injured Victorians to get their lives back on track but we are always looking for ways to improve.

## No two clients have the same story

Our TAC MyPlan program is making a substantial difference to how we work with our clients who require coordinated supports and is providing unprecedented insights into their personal stories.

The culmination of months of work involving teams from across the business, this single source of information has replaced less efficient databases and administration tools and reflects our determination to embed a Next Generation Claims Model – genuinely putting our clients at the centre of all planning and decision-making.

As part of MyPlan, we know more about every client's story. By understanding our clients as individuals first – understanding their strengths, needs and priorities – we aim to tailor our interventions and services to support choice, participation, wellbeing and restoration.

We have moved 4,500 of our clients onto a MyPlan since the MyPlan rollout in 2023, including 1,905 of our most-seriously injured clients.

# **Better customer call experiences**

We are proud of the frontline support we provide to our clients and other customers. This is reflected in our corporate scorecard, which measures our service performance against ambitious annual targets.

In 2023–24, we fielded 172,000 customer service calls and exceeded our call-quality goal by achieving an 89.3% rating – 11.6 % higher than our target. This can be partly attributed to the rollout of new enabling technologies.

The introduction of a new call recording system (Liquid Voice) across our customer service, client relationship and lodgement teams facilitated an improved experience for our clients, healthcare providers and employees. Key improvements included:

- an enhanced approach to reviewing the quality of our conversations
- the ability to record both inbound and outbound calls, which helps us better support staff managing difficult calls and behaviours of concern
- better analytics and data reporting to improve efficiency.

# **Improved lodgement processes**

In 2023–24, we changed the way accident claims are lodged to improve efficiency and support more transparent decision-making as part of the Injury Liability Project.

In order to lodge a TAC claim, individuals must now provide a written description of the injuries they sustained from their treating health professional. This documentation can include a hospital discharge summary, Certificate of Capacity, medical certificate or a letter from their doctor or allied health professional.

Understanding accepted injuries is vital to a positive client experience as it establishes clear client and health care provider expectations. This simple reform ensures early injury information is better documented on most claims, resulting in faster decision-making and better client outcomes.

# **Our vision for better care**

We are committed to a patient-centric healthcare approach that improves client outcomes and experiences, and delivers better value for all stakeholders.

Working in partnership with clients and providers, our value-based healthcare journey aims to deliver a model that empowers our clients to identify and achieve the goals that matter most to them, provide improved care experiences for providers, and build confidence in the broader community that our scheme is being managed in a sensible and sustainable way.

To better understand the benefits of this model, we initiated four important pilot projects in 2023–24. Each of these test-and-learn opportunities delivered positive outcomes that will help shape our approach to supporting clients.

# **Enhanced Recovery Program targets persistent** pain

Clients have told us that they have a limited understanding of pain, what to expect and how to self-manage, so our Enhanced Recovery Program set out to address these challenges.

Piloted between July 2023 and April 2024, this innovative project aimed to support physiotherapists treating clients at risk of persistent pain. The pilot involved about 80 clients being referred to one of nine participating physiotherapy clinics over the pilot period.

During their treatment, participating clients were asked to complete questionnaires on an online platform, ZEDOC, developed by digital health company, The Clinician. Their responses were quickly analysed in 'real time' and helped the physiotherapist and the TAC to:

- understand how the injury affected the client at the start and over the course of treatment
- · deliver treatment tailored to the client's individual needs
- identify any issues that could impact the client in the long-term to enable early intervention.

The Enhanced Recovery Program provided an innovative way for the TAC and physiotherapists to work together, with both clients and providers reporting positive experiences. Learnings from the pilot will pave the way for broader implementation in the future.

# **Vocational Rehabilitation Pilot**

Our Vocational Rehabilitation Pilot was developed to improve back-to-work outcomes for our clients. Launched in April 2023, the program applied value-based healthcare principles to explore a new way of collaborating with vocational service providers.

Our panel of seven vocational service providers helped people injured in transport accidents improve their quality of life by returning to secure employment.

The pilot was co-designed with several representatives from this panel, and all seven panel providers chose to participate.

Participating providers were moved from the previous fee-forservice structure to a new funding model linking a provider's payment to how successfully the TAC client achieved their return-to-work goals.

Findings indicated that, although the tested funding model didn't deliver efficiencies to return-to work-goals, the pilot improved provider efficiency and delivered more intensive support to help our clients achieve their health and wellbeing goals.

Outcomes from this and other projects will help guide our gradual transition to a value-based healthcare service delivery model.

'I wouldn't be able to walk...
I wouldn't be able to do a lot of things now if I hadn't done the program. Without it I'd be in a very different place.'

- TAC Enhanced Recovery Program client



## **Active Recovery Clinics**

In April 2024, we partnered in a pilot with the injury management specialist, the Navigator Group, to give eligible clients access to its Active Recovery Clinics (ARC) program.

This exercise-based rehabilitation program delivered 12 weeks of support from an interdisciplinary team of sports medicine physicians, exercise physiologists, physiotherapists, psychologists and counsellors.

Specifically designed for people who had experienced a motor vehicle accident or workplace injury, the ARC program used advanced technology and innovative techniques to give patients the tools to take control of their injury, get their physical and mental wellbeing back on track and return to everyday life sooner than expected (see case study one).

# **Injury Support Program**

Our Injury Support Program pilot was developed to identify and address barriers to recovery and gaps in care, and provide proactive, evidence-based injury management care coordination.

The pilot program, designed to complement a client's existing treatment and support, was developed in partnership with Honeysuckle Health, to link eligible clients with high-value care and supports in the local community.

Under the program, Injury Nurse Coordinators developed a plan for each participating client designed to help them coordinate medical care and appointments, connect with additional resources, obtain clinical advice and support, and build their capacity to self-navigate the health system (see case study two).

'I found the experience positive. The co-working nature of the TAC makes any project easy to participate in.'

- TAC provider

# How putting clients at the centre is making a difference

## **Case study one**

When one of our clients from a small regional Victorian town presented to her doctor with musculoskeletal injuries, she spoke of her frustrations in finding suitable treatment and was moved into our Active Recovery Clinics (ARC) Pilot.

Our partner, Navigator Health Group, worked with the client via virtual consultations to identify physical and psychosocial barriers and create a plan to support the client's recovery in the comfort of her home.

An initial assessment of the client's ability to work was for just six hours, three days a week.

Through the pilot, the client commenced an active exercise program and was provided with psychosocial support.

After just five weeks on the ARC program, and eight weeks post-accident, she returned to her full-time role at a major bank and no longer required income support from the TAC.

# **Case study two**

For two years after his vehicle accident, the recovery of one of our clients was hindered by a language barrier.

He struggled to navigate healthcare systems and faced challenges accessing the treatments he needed to get his life back on track.

Through his involvement in the Injury Support Program pilot, and with the support of our partner Honeysuckle Health, the client is now linked with providers who speak his preferred language and has received supports tailored to his specific rehabilitation requirements.

Importantly, the client's mental health has stabilised and he has reported feeling more secure and understood.

# Value-based Healthcare Innovation Grants Program

Our Value-based Healthcare Innovation Grants Program aim to encourage providers to put value-based healthcare into practice for the benefit of our clients.

Grants of up to \$150,000 are available for projects that address an area of priority for people with transport accident injuries and focus on known gaps in services, such as better integrating care following surgical procedures and solutions to support mental health

The program's aim is to incentivise outcomes that matter most to our clients through high-quality, efficient and cost-effective care.

The 2023 grant recipients included:

- Royal Children's Hospital for the co-design and piloting of an Australian customisation of Teach-ABI, as a way of providing pathways for children with an ABI to return to school.
- Gippsland Lakes Complete Health to trial the introduction
  of a pain educator for clients who have experienced
  traumatic and painful injuries, or who live with chronic
  pain. The role will support care coordination, deliver pain
  education and provide evidence-based care, while keeping
  the client and their desired outcomes as the central focus.
- Allied Health Professions Australia to use the existing PX Accelerator online learning program to upskill TAC allied health practitioners in the essential elements of valuebased health care, and encourage them to apply their learnings for better client outcomes.
- Psychology Outcomes to measure the efficiency, effectiveness and scalability of private psychology organisations treating chronic pain, trauma and mental health via a unique patient-provider matching process.



# **TAC Small Grants Program**

Our TAC Small Grants Program offers grants of up to \$50,000 for innovative, community-led projects that improve the lives and independence of people with life-altering injuries including acquired brain injuries (ABI), spinal cord injuries, blindness and amputations.

Five projects received combined funding of \$240,000 in 2023. Grant recipients and projects included:

- Barwon Valley School for a project aimed at increasing student participation in physical activity using smart technology devices (see breakout box below)
- Care Companions Monash for a project aimed at improving quality of life for TAC clients and Victorians with a disability from a Chinese background using the power of music and community.
- EnAccess Maps for accessibility, accuracy and userfriendliness improvements to the EnAccess Maps platform that will benefit TAC clients and others living with disability.
- Inclusion Melbourne: Circles of Support Model –
  for the development of a freely available, accessible,
  easy-language practice guide for people with ABI, their
  families, supporters and services.
- Victorian Advocacy League for Individuals with Disability (VALID): Advocacy Advice Line – to extend the availability of VALID's advocacy support service to cover TAC clients and others with an ABI whose needs are not met by other services.

# Supporting students with life altering injuries

Everyone should be encouraged to participate in physical activity, regardless of their needs and abilities. New smart technology devices are helping this happen for students at Geelong's Barwon Valley School.

Purchased with the support of the TAC Small Grants Program, the devices are accessible to all, regardless of a student's physical, cognitive and sensory needs and disabilities. By meeting the unique needs of every student, the school is also improving their health, wellbeing and independence.

The school will work with occupational therapy students from Monash University to collect and analyse data measuring participation and the effectiveness of the new technology.



Above: Students at Barwon Valley School who are being supported by the TAC Small Grants Program to get active

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# **Research and innovation**

Each year, thousands of people are seriously injured on Victoria's roads. Through our Health, Disability and Compensation Research Program, the TAC funds initiatives that support them to get their lives back on track.

Our program investments and partnerships are guided by exemplary evidence-based research and innovative thinking. Since launching in 2018, 55 research projects and 23 grant projects have been successfully completed.

The current investment portfolio comprises 30 projects and cuts across gold standard clinical data registries, bespoke research projects with academic and clinical experts across Australia, and innovative grant programs.

Evidence demonstrates our research investment delivers high-value health and disability services and results in ongoing business model, systems and process improvements.

# Early vocational rehabilitation after traumatic injury

People who sustain major traumatic injuries can struggle to get back to work for a range of individual and occupation-specific reasons.

While access to vocational services can have a positive influence, they are currently not offered through the Victorian health system's primary rehabilitation services.

With TAC funding, a collaboration between Epworth HealthCare and Monash University evaluated the impact on back-to-work outcomes of a dedicated early intervention vocational rehabilitation service supporting individuals with major traumatic injuries, including those with spinal cord, brain and significant orthopaedic injuries.

Two occupational therapists, one exercise physiologist, and four paid peer mentors with lived experience provided a range of individualised activities linked to four clinical pathway stages: thinking about, preparing for, returning to and sustaining work. Activities started while most participants were still in hospital.

Elements of the vocational rehabilitation intervention included:

- · integration within primary rehabilitation
- · delivery as part of a multi-disciplinary team
- commencement in hospital once the individual is able
- continuation after discharge, until individuals are ready to return to a productive role.

Early vocational rehabilitation, delivered by a therapist within a multi-disciplinary team, resulted in significantly earlier back-to-work outcomes, associated gains in productivity for individuals with multi-trauma orthopaedic injuries and enhanced mental health outcomes for all recipients.

# Understanding impacts of multi-trauma rehabilitation

Physical trauma is a leading global cause of disability and economic burden. Multi-trauma, which is defined as sustaining multiple physical traumatic injuries in an accident, can result in poorer quality of life, pain, emotional impairment and activity limitation. Prolonged hospital care, including rehabilitation, is needed to reduce disability and support return to daily activities.

Despite its long-term impact, there is very limited research on patient-reported quality of life and health status following multi-trauma.

Epworth HealthCare recently utilised a TAC Value Based Health Care Grant to evaluate the relationships between the cost of in-patient rehabilitation, trauma injury severity, and patient-reported, health-related quality of life. It also examined potential impacts, such as age and functional independence, on the evaluated relationships.

The evaluation involved 75 patients who were admitted to Epworth's in-patient rehabilitation unit following multi-trauma orthopaedic injuries. To provide a baseline assessment, patients were asked to complete a survey during their hospital stay reporting on their health and wellbeing before their injury.

The survey was then repeated two weeks after discharge from rehabilitation, together with patient satisfaction questions. The relationships between bed cost, patient-reported quality of life and injury severity were then evaluated.

Overall study results showed that an individually tailored in-patient rehabilitation program was cost-effective and significantly associated with meaningful changes in patient functioning. However, the tailored program did not impact quality of life following multi-trauma injury.

These findings suggest TAC clients with multi-trauma injuries may benefit from individually tailored in-patient rehabilitation care after an accident. However, further investigation of the factors likely to enhance quality of life are still needed.

# **CYBERABILITY: Co-designing a Cyberscam Recovery Intervention**

Research shows that people with acquired brain injury (ABI) are more susceptible to cybercrime due to their cognitive, psychological and social vulnerabilities. Being scammed is not only costly, victims often have deep feelings of shame, betrayal, anger, depression and fear.

Despite the significant psychosocial impacts experienced by cyberscam survivors, there are no existing evidence-based treatments and clinicians are often ill-equipped to provide tailored support for ABI victims.

A TAC Values Based Health Care grant enabled Monash University to further its work in cyber safety through the development of Smooth Sailing After Scams – a multi-component intervention for people with an ABI.

The intervention was designed to help significant others and clinicians address the psychosocial impacts experienced by victims across four priority themes;

- · scams and scammers
- · protecting my money
- validating emotions
- · connecting and reconnecting.

Smooth Sailing After Scams has been developed and manualised. As a next step in the CYBERABILITY Project, multidisciplinary clinicians, supported by a lived-experience ambassador, will deliver the intervention within small groups over 10 sessions. The effectiveness and impact of the intervention will then be evaluated and reported.

# Developing a global set of patient-centred trauma outcome measures

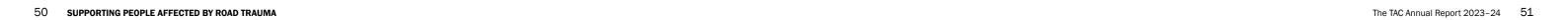
Despite trauma being a leading cause of lifelong disability, there are currently no globally accepted standards for measuring outcomes for patients surviving traumatic injuries.

A global collaboration, which includes the TAC, the International Consortium for Health Outcomes Measurement and other key players in the Netherlands and Switzerland, is working to unlock the potential of Value Based Health Care in capturing outcomes that matter for patients with a wide range of medical conditions. In doing so, the collaboration aims to drive the adoption and reporting of a new standardised set of global measures.

Achieving this important goal would enhance quality of services, resulting in improvements to the lives of clients.

A Trauma Set Working Group has been established, consisting of patient representatives, researchers, and clinicians. This project is scheduled to be completed by April 2025.





# **High-performing organisation**

At the TAC, we are passionate about preventing road trauma and improving the lives of all Victorians. It's why we do what we do.

Since the beginning of the financial year, we have been working tirelessly to create better outcomes for our clients, community and people. This continuous improvement approach has incorporated all areas of the business and has resulted in a new strategy, Make Every Day Matter, which is designed to put us on a clear and measurable path to success.

Central to that success will be our ability to maintain and support a diverse, dynamic and well workforce.

# Highlights from 2023–24

- We strengthened our performance culture with real-time data and analytics in monthly reporting, which has improved our proactive decision-making.
- We created a robust performance framework that will enable earlier discussions on performance and give us a better opportunity to make course adjustments proactively.
- We implemented process improvements to online claims, which reduced average client wait times from 26 to 12 business days (between March and June 2024).



# Our people



1,233

**Employees** 



Employee engagement score 92% participation rate



**73**%

**Identify as women** 



87/13

Leadership gender ratio (women/men)



21

Nationalities (down from 33)



23

Languages (down from 27)

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# Our new road ahead

With the end of the TAC 2025 strategy coinciding with new senior leadership, the time was right in 2023–24 for our organisation to embark on the next phase of our development.

A key area of focus for our organisation during the financial year was improving the way we work and increasing our accountability to our clients, our people and our community.

# Organisation design review

To inform changes to the way we operate, the first step we took was to conduct an Organisation Design Review,

The design review had the following aims:

- to assess the current organisation design of the TAC, including structure and accountability
- to identify the capabilities required to deliver at the executive level
- to establish opportunities for greater clarity and alignment and accelerate execution of the TAC 2025 strategy.

Following a three-week consultative period with all staff, a new organisation structure was announced and made effective from 30 October 2023.

The new Executive Leadership Team was then formalised in December 2023 (see page 55) to give us a strong foundation leading into 2024 and beyond.

# A new era for client services

One of the most significant internal changes to the organisation structure was the comprehensive restructuring of our existing client functions – bring three separate divisions into one Clients division.

Our goal in making this change was to better meet the needs of clients injured in transport accidents, adapt to the rapidly changing landscapes of statutory insurance and the health and disability sectors, and prepare ourselves to deliver on two of our four new strategic goals – best client outcomes and a scheme for now and the future.

We believe this change will act as a foundation for future service delivery, offering a seamless experience for clients and giving them optimum client recovery. It will also increase opportunities for clients to have a say in their own recovery and meet ever-growing community expectations of our organisation.

Our new client division incorporates 15 teams, each bringing greater focus and the expertise of our people to all areas of a client's TAC journey – from post-accident care, to compensation and rehabilitation, to return to work or setting of new life-back-on-track goals.

The key aspirations of our new Clients division are:

- Client-centred recovery and independence: We empower our clients, enabling them to navigate and expedite their recovery and independence with ease.
- Best providers, best outcomes: We are a partner of choice for providers, ensuring clients access services that achieve the best possible outcomes in a cost-effective way.
- Service excellence: We continue to meet expectations, delivering modern, timely and accessible client services to those we are here to support.

# **Refreshing our TAC strategy**

With the new leadership team on board, the next logical step for the organisation was to refine what success looks like as part of a refreshed corporate strategy.

The refreshed TAC strategy, Make Every Day Matter, will be released in the new financial year and will bring renewed focus to servicing our clients and community by strengthening our sense of purpose (see page 10).

# **Our new leadership team**



Tracey Slatter CEO



Sam Cockfield Executive General Manager, Road Safety

- Planning, Research, Insights & Technology
- Behaviour Education & Community
- Infrastructure Programs



Nadia Coppe
Executive General Manager,
Finance & Governance

- Corporate Legal
- Finance & Procurement
- Corporate Operations & RIPL
- · Governance & Integrity



Katherine Gobbi Executive General Manager, Clients

- · Service & Operations
- Claims Management
- Resolutions
- Provider Markets & Commercial



Andrew Holt
Executive General Manager,
Performance, Risk & Strategy

- · Enterprise Risk
- Strategy & Research
- Actuarial Services
- Performance & Customer Insights
- Strategic Analytics



Executive General Manager, People, Culture & Engagement

- Strategic Partnering & Advisory
- People Experience

**Natalie McColl** 

- Learning & Capability
- · Culture & Inclusion



Jennifer Rebeiro
Executive General Manager,
Enterprise Transformation

- IT Shared Solutions
- · Program Delivery
- Strategic Digital Delivery
- Technology Business Partners



Jacqui Sampson
Executive General Manager,
Community

- · Communications & Digital
- · Marketing, Media & Partnerships
- Government Relations, Legislation & Privacy

adership Team, please visit:

Executive Leadership Team as at 30 June 2024

For more information about our Executive Leadership Team, please visit: tac.vic.gov.au/about-the-tac/our-organisation/executive-leadership-team

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# Listening to our people

While we have maintained an active employee listening and engagement strategy, the methods we use to listen to our employees evolved during the financial year.

Key listening moments included a pulse survey in 2023, and the Human Synergistics Organisational Culture Inventory (OCI), Victorian Public Sector Commission (VPSC) People Matter Survey and annual Employee Opinion Survey (EOS), which were all conducted in 2024.

## **Pulse survey**

In December 2023, 64% of all employees responded to a pulse survey designed to gauge their wellbeing and better understand their experience following the review of the organisation design and associated changes to the organisation structure and leadership.

Overall, much of the experience across the TAC showed positive insights for us to collectively focus on, with some differences across divisions.

We noted a drop in energy levels (down 5 points) when we compared the results with the May 2023 annual Employee Opinion Survey (EOS). This was to be expected following a year of significant change. The results also showed that the change to the new Performance Framework was taking us in the right direction, and employees felt that senior leaders were more effectively communicating the case for change (up by 8 points).

These results provided an important checkpoint for our organisation ahead of the OCI.

# **Organisational Culture Inventory (OCI)**

The OCI is the world's most widely used tool for measuring organisational culture. It helps organisations to see, measure and change the thinking and behavioural styles that drive organisational performance and employee satisfaction.

We conducted two versions of the OCI surveys early in 2024, receiving 966 responses in total from employees across both surveys. The first survey was designed to assess our organisation's current state, and the second to inform our ideal state to assist with strategic planning.

The results showed that our people have a strong desire to make a difference, and are dedicated to our purpose and each other. However, responses indicated that we lean towards comfort, avoid risks and difficult conversations, and are too accepting of the current way of doing things.

When considering our ideal state, surveys and focus groups showed our people have a strong desire for change. They want a culture where we focus on outcomes, are empowered to achieve, think and work differently, and can grow and support each other to be our best.

We have strong foundations to achieve this change and our strategic aspirations have been developed to help us work towards this ideal state.

# **Annual EOS and VPSC People Matter Survey**

Each year we invite our people to participate in our EOS to share their experiences of working at the TAC. Our primary measurement is employee sustainable engagement, which breaks down the engagement, enablement and energy of our workforce.

The annual EOS was conducted in late July 2024 to bring greater focus to the VPSC People Matter Survey, launched in May. However, the results reflect our employee experience for the 2023–24 financial year.

We saw a very strong participation rate of 92% in the 2024 EOS. However, there was a decline in sustainable engagement to 69%, which is 6 points lower than the previous EOS.

Strengths identified in the survey included scope for applying new skills and capabilities based on recent development experiences, as well as opportunities to live TAC values. Areas identified for improvement included change management, as well as technologies and processes to enable employees to perform at their best, but there was notable variance in the experience of this across divisions.

Whilst the participation rate for the People Matter Survey was only 44%, the results showed similar themes, which confirms what we need to focus on over the next 12 months.

Following a year of significant change and development in preparation for our strategy refresh, the results from both the EOS and People Matter Survey will be used to drive targeted improvements in the experience and enablement of our people.

Workplace data	2023	2024
Total number of employees (HC)	1,239	1,233
Total number of employees (FTE)	1,147.01	1,148.67
Men (HC)	339	333
Women (HC)	900	900
Full time (HC)	912	920
Part time (HC)	327	313
Average age	42.08	42.79

HC: Head count FTE: Full-time equivalent



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# **Inclusion and diversity**

We are committed to advancing a culture of inclusion, where people of all backgrounds, identities and lived experiences feel that they belong, and are empowered to help us fulfil our purpose by contributing their opinions, ideas and skills.

We believe that together our differences make us stronger. As we mature in this space, we are developing a better understanding of how our five priority groups experience work and are striving to continuously improve this for:

- · Aboriginal and Torres Strait Islander peoples
- · people with disability
- · women and gender diverse people
- · LGBTIQA+ people
- · culturally and linguistically diverse people.

Our ultimate goal is to improve the way people from our five priority groups experience work across various indicators. In 2023–24, we achieved some important milestones for our priority groups.

# **Gender equality**

Our Gender Equality Action Plan outlines how we will embed gender equality into our workplace policies, processes and practices. This year, we made meaningful progress towards advancing gender equality in the following ways:

- Closing the gender pay gap our gender pay gap (the difference between the average earnings of women and men in the workforce) has continued to decrease year-on-year. As of the end of financial year, it was 9.2% down from 12.8% in 2021. While no pay gap is acceptable, our results are significantly better than the 2024 Australian average (21.7%).
- Improving the representation of women in leadership

   our CEO, Executive Leadership Team and Senior
   Leadership Team saw an increase in representation of women from 49% in 2021 to 57% in 2023.
- Gender impact assessments we continued to assess relevant services, policies and programs.
- Financial Wellbeing Sessions to help build financial literacy for women and gender-diverse people facing unique financial challenges, including low super balances, we worked with our superannuation provider to deliver these sessions.

# **Accessibility and inclusion**

We started developing our next Access and Inclusion Plan during the 2023–24 financial year. Due to be launched in early 2025, the new plan will be informed by our people with lived experience, as well as internal diagnostic reports, and will be aligned to best practice.

We also continued building the capability of our people through campaigns designed to encourage inclusive behaviours in the workplace. This year, we launched our first 'You Can Ask That' episode, featuring TAC employees with lived experience of disability who shared their top inclusion tips. This episode complemented an all-staff International Day for People with Disability and Human Rights Day event held on Thursday 7 December. The event entitled 'An Unmissable Story' featured guest speaker Caleb Rixon, Chief Vision Officer at the genyus Foundation.

Finally, we commemorated World Autism Awareness Day through storytelling from employees with lived experience as part of the continuing safe spaces campaign.

# **LGBTIQA+** inclusion

In a major highlight of the year, we successfully achieved Bronze Status with the Australian Workplace Equality Index. This accreditation is overseen by Pride in Diversity, Australia's peak body for LGBTQ inclusion, and required us to update multiple policies, identify confidential contacts and launch an LGBTIQ+ Awareness learning module.

Other inclusion highlights during the year included:

- Gender Affirmation Leave Policy we launched this policy to ensure our trans and gender diverse employees are well supported when affirming their gender at the TAC. This included a manager guide and supports available to colleagues.
- IDAHOBIT Day we continued our partnership with Geelong-based organisations and supported an event featuring keynote speaker Georgie Harman, CEO of Beyond Blue, who shared her own journey and talked about how we can all promote mental wellbeing and inclusivity.
- Internal campaigns we used storytelling from our people and educative campaigns to acknowledge International Non-Binary People's Day, Trans Awareness Week, IDAHOBIT and Pride Month.

## Reconciliation

We are committed to building long-term and meaningful relationships with Aboriginal and Torres Strait Islander peoples. We remain focused on increasing our awareness of Aboriginal and Torres Strait Islander cultures, histories, and knowledge, and promoting the principles and purpose of reconciliation in our workplace.

One of the most tangible ways we made progress toward reconciliation during the financial year was through the recruitment of a First Nations Program Lead, which is a newly created position for our organisation. We also increased our focus on Aboriginal and Torres Strait Islander recruitment, retention and professional development.

We supported improved cultural awareness and capability of employees by establishing an Aboriginal and Torres Strait Islander Cultural Awareness Learning program and promoting key engagement initiatives for NAIDOC Week and National Reconciliation Week. National Reconciliation Week in 2024 involved a significant program of activities including a Welcome and Smoking Ceremony at our Geelong headquarters, divisional morning teas to support deeper discussions around Reconciliation, a daily email to every employee designed to broaden knowledge and understanding of Aboriginal and Torres Strait Islander cultures, and a Yarning Circle led by First Nations Program Lead, Adele.

# **Cultural and Linguistically Diverse (CALD) inclusion**

We continued to build our people's capability and advance inclusive behaviour through workshops designed to broaden cultural awareness.

We also commemorated Lunar New Year and Ramadan through internal campaigns and office activations designed to bring people together, share culture, create conversation and foster understanding.



Above: Wadawurrung Traditional Owner, Ash Skinner, conducting a smoking ceremony outside TAC headquarters for National Reconciliation Week on 27 May 2024

# **Developing our people**

Building the capability of our people is crucial to achieving the best outcomes for our clients and the wider community.

Throughout 2023–24, our Learning and Capability branch partnered closely with all divisions across the business to source, design and deliver learning programs that build employee capability and support each business area to achieve its strategic goals. This resulted in our people completing or attending over 21,000 training modules.

Key achievements for 2023-24 included:

- · We launched a digital learning platform.
- We advanced reconciliation at the TAC and in the community by launching an Aboriginal and Torres Strait Islander cultural awareness learning pathway.
- We integrated our Capability Framework into all learning experiences.
- We designed and delivered a Client Experience Program for new and existing members of our Executive Leadership Team to advance and embed knowledge of the ways we service our clients and the community.
- We deployed our new learning program, Navigating Exposure to Trauma – a crucial step to better supporting employee wellbeing.

Employee development was further supported with on-thejob learning, access to continuous professional development activities, study assistance, curated learning content and more.

### At a glance

112 new employees welcomed at orientation sessions

**18** new leaders completed people leader orientation sessions

56 employees completed claims induction training

**\$1,020,000** invested in professional development activities including leadership development, technical training, health, safety and more

**\$41,000** invested in continuous professional development activities

\$48,500 of study assistance provided to employees

**21,000** training module completions and session attendances, which included:

- 10,900 compliance training
- 2,830 technical/role-based training
- 1,460 health, safety and wellbeing
- 780 leadership and performance
- 770 inclusion and diversity
- 343 claims induction training
- 76 hybrid working
- 4,000 LinkedIn Learning materials accessed for personal development

# **Award winners**



Former TAC trainees, Launchlann Fraser and Say Mu Paw, at the Apprenticeship Employment Network awards.

#### Victorian Trainee of the Year

In November 2023, Lauchlann Fraser was named the Victorian Trainee of the Year in the 2023 Apprentice Training Awards, supported by the Apprenticeship Employment Network and GAN Australia.

Lauchlann, who was also nominated for a Disability Achievement Award, pursued a business traineeship at the TAC after developing Tourette's syndrome during his VCE studies and deciding to leave school.

His fellow trainee, Say Mu Paw, was also a finalist in the awards in the Overcoming Adversity category.

# **Award-winning education and training**

In August 2023, our Scheme Health Program Team won the 'Education and Training Program Design of the Year' award at the 2023 PIEF (Personal Injury Education Foundation) Excellence in Personal Injury and Disability Management Awards.

The team won the award for a new learning program developed with internal and external experts to help senior leaders contribute to the ongoing financial health of our scheme, while also preparing them for the transition to a value-based healthcare model.

## **Top 50 Public Sector Women**

On 18 April 2024, three of our leaders were recognised as winners of the IPAA Top 50 Public Sector Women Awards in Melbourne.

Angela Sormaz, Robyn Canning and Lauren McKirdy were all winners of the Established Leader Award category, which recognises women for their leadership, dedication and accomplishments in advancing the public purpose sector.

# Health, safety and wellbeing

A high-performing organisation is one where the health, safety and wellbeing of our people is one of the highest priorities.

Since launching our Health, Safety and Wellbeing (HSW) Strategy in 2023, we have implemented a range of initiatives designed to support the four key priorities: the psychosocial and physical health of our people; developing our HSW maturity and leadership capability; building people-focused systems and tools; and managing HSW risks. Initiatives we undertook in 2023–24 include:

- preparation for the proposed Victorian Occupational, Health and Safety (OHS) Amendment (Psychological Health) Regulations by:
- finalising our Psychosocial Gap Analysis
- advancing our current psychosocial hazard identification, risk assessment and control allocation processes as part of the HSW Hazard Control and Identification
- identifying, assessing and developing our psychosocial risk assessment and register, and communicating about the risk register (see next section)
- launch of a refreshed HSW Compliance Learning Course
- procurement and design of a Personal Duress Device Program for the organisation
- delivery of learning programs including Managing Client Interactions, Responding to Suicide Risk and Navigating the Trauma of Others
- development of HSW resources and programs that can help our people adapt to change and foster psychological safety.

# **Improving psychological safety**

We completed our Psychosocial Risk Assessment Register in February 2024. The program of work resulted in the development of a TAC psychosocial risk register, which is based on the Safe Work Australia Code of Practice template.

For each identified psychosocial hazard, we completed a risk assessment and considered the frequency, duration and consequences of each hazard. Furthermore, each hazard was assigned current psychosocial controls and any additional controls recommended, in line with leading practice.

The next step for this project is to embed the register into our 'business as usual' practices and develop a Psychosocial Risk Management Framework.

# **HSW training plan**

Our HSW learning plan is a vital way we improve organisational maturity in HSW and build the capability, skill and confidence of our employees.

During 2024, we partnered with Phoenix Australia to design a three-part training program called 'Navigating the Trauma of Others'. This learning solution is designed to give people leaders and employees the practical skills and tools they need to better support the health, safety and wellbeing of anyone who may have been exposed to potentially traumatic events during the course of their work.

While only the first phase of 'Navigating the Trauma of Others' was rolled out in 2023–24, the remaining phases will be rolled out in 2024–25.





# Our corporate responsibilities

We recognise that our impact goes far beyond our employees, clients and Victoria's roads. Our everyday decisions and actions have the potential to deliver a more inclusive, equitable and environmentally sustainable Victoria.



# **Reducing our carbon footprint**

We commenced baselining our greenhouse gas emissions in 2021–22 and prepared an associated emissions reduction strategy for scope 1 and scope 2 emissions.

A key action from the emissions reduction strategy was to transition our electricity supply to renewables. In 2023–24, we transitioned our electricity supply to 100% renewables, helping the Victorian Government to achieve its aims of halving emissions by 2030, and reach net zero emissions by 2045.

From 2023–24, our greenhouse gas emission reviews will be expanded to include scope 3 emissions and the emissions reduction strategy will be updated to include scope 1 to 3 emissions.

# Social

# **Gender Equality Action Plan**

We reported our progress toward delivering the TAC Gender Equality Action Plan 2022–2026 in early 2024, as part of our legislative responsibility to deliver a biennial report to the Gender Equality Commissioner.

The report showed that, as of 30 June 2023, we had completed over half of the Gender Equality Action Plan actions, with an additional 20% of actions in progress.

The report showed increased representation of women in our top and middle employment cohorts – from 49% to 57% and 63% to 68% respectively –and, as previously mentioned, a drop in the overall gender pay gap (see page 58).

The areas we noted for improvement in the report included our overall workforce gender composition (73% women and 27% men) and gender composition in the entry-level cohort (80% women and 20% men).

# A socially responsible approach to asset disposal

In 2023–24, we formed a new partnership with WV Technologies – an Indigenous social enterprise and leader in IT disposal and e-waste recycling.

As a Supply Nation Registered Indigenous Business, the partnership will not only reduce waste and greenhouse gas emissions, but the physical work involved in the recycling process will generate employment for Aboriginal and Torres Strait Islander peoples.

Additionally, any profits generated from on-selling hardware is funnelled back into the Worldview Foundation, which again supports disadvantaged Aboriginal and Torres Strait Islander people.

### **Reconciliation Action Plan**

We continued our journey to building long-term and meaningful relationships with Aboriginal and Torres Strait Islander peoples during 2023–24.

Now in our third year of implementing the Reflect Reconciliation Action Plan (RAP), we focused on deepening our collective understanding, value and recognition of Aboriginal and Torres Strait Islander cultures, histories, knowledge and rights.

Some of the RAP actions delivered in 2023-24 include:

- We hired a First Nations Program Lead, accountable for the successful delivery of the TAC's First Nations engagement strategy and activities including the RAP and the First Nations employment strategy.
- We maintained our focus on increasing Aboriginal and Torres Strait Islander recruitment, retention and professional development.
- We continued to acknowledge days of significance through internal communication channels and supported events, including a National Reconciliation Week campaign that involved a Welcome to Country and Smoking Ceremony for all staff, as well as daily distribution of educational resources.
- We sponsored the annual Give Where You Live 'Conversations that Matter' event in June and supported employees to attend. The event was headlined by Australian journalist Stan Grant, who shared his insights and dedication to finding new ways for us to meet each other beyond our difference.

# Governance

Over the past financial year, we have been focused on developing processes that will help us deliver the strategic goals, aspirations and measures planned for our Make Every Day Matter strategy, as well as solving current pain points and inefficiencies across resolutions, lodgements, and payments.

Key pieces of work that continued over the past financial year include:

- Value-based healthcare through pilot programs, we gave clients a greater say in their own recovery with more efficient, high-quality and cost-effective care, while also delivering a more financially responsible scheme.
- Next Generation Claims Model we worked to move clients from claim to compensation in the most efficient and effective way possible using improved insights and analytics.
- Unlocking our business data potential using an enterprise-wide approach to better management, governance and translation of more than three decades' of invaluable business data, we moved towards greater efficiencies, as well as stronger security and privacy protections.



# **Craig's story**

Nine years after a hit-and-run accident left him with permanent life-altering injuries, Craig, a senior solicitor in our Finance and Governance team, remains determined to make something good come of the incident.

A keen cyclist and triathlete, Craig was knocked off his bike on Barrabool Road after a car ran a red light turning right onto the Melbourne-bound Ring Road. Craig sustained 'catastrophic injuries' including two punctured lungs, a fractured skull and face, a brain bleed and a spinal cord injury. The driver fled the scene and has not been identified.

'I don't like the term disability. I have an injury which cannot heal and have different ability to what I used to have,' Craig says. 'I continue to hand cycle, I do track chair, I ski...I swim one and a half to two kilometres, two to three times a week.

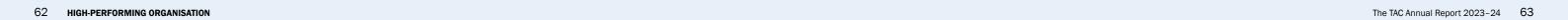
'I only have access to a third of my body, but my attitude is to do what I can with what I have.'

Craig also uses his own experience to raise awareness of the vulnerability of cyclists and planned to speak to members of the Drysdale Football Club ahead of the 2024 Road Safety Round.

'There's a lot more we can do to protect vulnerable road users, be it people on bikes or pedestrians, from serious injury or death.

'In Geelong, footy is a bit of a religion, so where we can marry the sport with road safety to minimise the number of people seriously injured or killed can only be a great thing.'

Photo credit: Alison Wynd, Geelong Advertiser



# **Complaints and disputes**

While we always do our best to support clients in all aspects of their recovery, we recognise that not everyone will be happy with the decisions we make and the service we provide.

Clients in this situation have a range of options to address these concerns – from making a formal complaint to lodging an application with the Victorian Civil and Administrative Tribunal (VCAT). Following is a summary of the complaints and disputes we responded to over the last financial year.

# **Complaints**

All formal complaints to the TAC, our Chief Executive
Officer and the Victorian Ombudsman are managed by our
Complaints Office, and all are taken very seriously. In 2023–
24, our Complaints Office received 736 formal complaints
– 170 fewer complaints than we received in the previous
financial year.

# **Model Litigant**

The Model Litigant Guidelines (the Guidelines) set standards for how Victorian Government agencies should behave before, during and after litigation. The Guidelines require an agency to act fairly and consistently to avoid litigation, pay legitimate claims promptly, and minimise legal costs. Within the year, we received one Model Litigant complaint, which was the same as the previous financial year.

### **Informal reviews**

There were 489 requests for an informal review – 18 more than we received in 2022–23 – and 22 Notices of Intent to dispute a decision lodged by clients, which was two more than the previous financial year.

The median time to resolve informal reviews was 75 days, compared to 25 days last financial year. Approximately 74% of informal reviews were finalised within four months – a decrease compared to last year (92%). These changes were due to reduced capacity within the relevant business area, and will be addressed by planning that started during the financial year to deliver quicker turnarounds.

The TAC's original decision was maintained in 61% of cases, compared to 59% last year.

# **No Fault Dispute Resolution Protocols**

No Fault Dispute Resolution Protocols (the Protocols), were implemented in 2005 in collaboration with legal stakeholders. The Protocols provide an alternative dispute resolution process to the formal process at Victorian Civil and Administrative Tribunal (VCAT), reducing the time and cost involved in resolving disputes about our decisions. Since then, we have continued to work with the legal community to negotiate improvements in the dispute process to achieve better outcomes for clients.

In 2023–24, the total number of dispute applications lodged, pursuant to the Protocols, was 1,753 – up from 1,599 applications in 2022–23.

## **Merit reviews**

The *Transport Accident Act* 1986 allows an applicant to lodge an application for merit review of TAC decisions with VCAT.

For applicants who have not participated in the dispute resolution process under the Protocols, an application must be lodged within 12 months of the date of the decision. If they have been through the Protocols process and wish to seek further appeal, they have three months from the conclusion of the No Fault Dispute Resolution Protocols to lodge an application.

At the end of the 2023–24 financial year, there were 296 merit review applications open with VCAT. This was 15 more than the same time last financial year.



# **Safeguarding our scheme**

By constantly evaluating emerging risks and using contemporary analytical methods, monitoring and information gathering techniques, our organisation is well-equipped to identify potential fraud and claim irregularities at their source.

While the vast majority of payments made through our claims and provider billing areas are accurate, we continued our work to proactively pinpoint vulnerabilities and mitigate fraudulent activities during the financial year, in particular in the area of outlier provider billing behaviours.

Using advanced monitoring techniques and powerful data analytics, we were able to detect suspicious patterns, trends and behaviours, which led to increased investigations and successful prevention of fraudulent activities.

Throughout 2023–24, the following enforcement action was taken:

- Fourteen prosecutions were finalised through the Magistrates Court that resulted in a finding of guilt and had a total restitution amount of \$484,124 awarded to the TAC.
- At the end of the financial year, 16 matters remained before the courts, with TAC alleging fraud against the scheme totalling \$936,172.
- There were three matters where prosecution was endorsed and yet to be progressed within the courts, totalling \$85.496.
- There were nine matters related to TAC clients wanted on warrant with charges yet to be served. The total fraud amount outstanding is \$381,399.
- In cases that did not meet the prosecution threshold, 30 warning letters were sent for breaches of the *Transport* Accident Act 1986, which related to fraud and clients providing false information to the TAC.

# Spotlight on provider billing

As part of our safeguarding activities, we use information shared by internal and external sources to proactively identify claims and payment anomalies that require further analysis and investigation. We use this information to then improve internal systems and processes, mitigating future risks.

During the financial year, we focused our efforts on provider billing to ensure that invoices supplied by service providers (and their subsequent payments) were an accurate reflection of the services they had provided.

For this reporting period, we undertook continuous monitoring and reviews on more than 160 providers across a broad range of disciplines, including surgery, physiotherapy, pharmacy and general practitioners. Twenty-three behaviour notification letters were issued over the past 12 months, formally advising providers of their obligations under our legislation and seeking recovery of \$45,248 in overpayments.



# **Managing the scheme**

Our objective is to make sure the TAC remains financially sustainable.

# **Insurance funding ratio**

The TAC recorded an insurance funding ratio of 151.6% as at 30 June 2024. While this sits above the upper limit of 100–145%, it has decreased from 160.1% at 30 June 2023, primarily due to a dividend payment of \$1,082 million to the Victorian Government. Despite this payment, the insurance funding ratio exceeded budget expectations due to a strong investment return and favourable claims experience in 2023–24.

# **Operating results**

In 2023–24, the TAC recorded a net operating profit of \$1,040 million. This outcome was driven by a reduction in claims incurred costs as identified by TAC's independent actuaries, Finity, as well as a strong investment return.

The reduction in claims costs was chiefly attributable to greater certainty regarding lower experience emerging post-COVID, particularly in Severe and Non-Severe payment types.

The TAC experienced an overall investment return of 9.2% in 2023–24. Despite a financial year challenged by continuing post-COVID inflationary pressures and geo-political events, both global and domestic equity markets performed strongly. Over the ten-year period to June 2024, the TAC fund returned an average of 7.69% per annum. This average annual return was higher than benchmark but lower than the TAC's rolling ten-year investment objective return of CPI plus 5%.

The TAC continued to invest in marketing and road safety initiatives and road infrastructure treatments in 2023–24. The latter forms part of the TAC's \$1.7 billion commitment to the Victorian Government's Towards Zero Road Safety Strategy. The TAC funded a total of \$97.7 million in marketing and road safety initiatives and \$54.8 million in road safety treatments, mostly carried out by the Department of Transport and Planning.

# **Transport Accident Charge**

The annual indexation of transport accident charges, which typically increases in line with CPI, was suppressed for 2023–24. This was in line with a broader governmental response to ease cost-of-living pressures on Victorian motorists. The TAC also covers people injured in train and tram accidents with charges paid by the railway and tramway managers to fund these claims. Transport accident charge levels for both railways and tramways are set following a review of claims experience by independent actuaries.



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# **Financial report**



# Statement by Chair, Chief Executive Officer and Chief Financial Officer

We certify that the financial report of the Transport Accident Commission has been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and notes to and forming part of the financial statements, present fairly the financial transactions for the year ended 30 June 2024 and the financial position of the Transport Accident Commission as at that date

We are not aware of any circumstances which would render any particulars included in the financial report misleading or inaccurate.

We authorise the financial report for issue on 29 August 2024.

Greg Wilson

Tracey Slatter
Chief Executive Officer

Nadia Coppe Chief Financial Officer Independent Auditor's Report

Victorian Auditor-General's Office

Victorian Auditor-General Auditor-General's Office

Victorian Auditor-General Auditor-Genera

#### To the Board of the Transport Accident Commission

#### Opinion

I have audited the financial report of the Transport Accident Commission (the Commission) which comprises the:

- balance sheet as at 30 June 2024
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including material accounting policy information
- Statement by the Chair, Chief Executive Officer and Chief Financial Officer.

In my opinion the financial report presents fairly, in all material respects, the financial position of the Commission as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of the *Financial Management Act 1994* and applicable Australian Accounting Standards.

## Basis for opinion

I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the Commission in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. These matters were addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

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#### **Key audit matter**

#### How I addressed the matter

#### Valuation of investment assets and investment related liabilities

Refer to Note 4.2 of the financial report for the accounting policy associated with the valuation of investment assets and related liabilities and Note 7.3 of the financial report for the methods and assumptions applied by management in valuing investment assets and related liabilities.

Investment assets: \$18.4 billion

Investment related liabilities: \$48.7 million

I considered this to be a key audit matter because:

- investment assets and related liabilities are financially significant
- there are several types of investment assets and related liabilities with varying observable and unobservable inputs impacting how and when they are valued
- sufficient and appropriate audit evidence may not be present for the valuation of some investment assets and related liabilities. This includes those with stale investment prices at reporting date and/or those which are subject to significant estimation uncertainty
- the performance of financial markets fluctuated over the period impacting the value of investment assets and related investment related liabilities
- the management of investment assets and related liabilities is outsourced to a fund manager and a master custodian
- extensive disclosures are required by Australian Accounting Standards which are critical to the users understanding of the valuation of investment assets and related liabilities.

Management engaged an independent assurance auditor to report on the:

- description, design and operating effectiveness of controls at the fund manager and master custodian
- existence, valuation and rights and obligations of investment assets and related liabilities at 30 June.

My key procedures included:

- gaining an understanding of key controls over the outsourced arrangement, and assessing and testing their operating effectiveness
- obtaining reports provided by the independent assurance auditor and:
  - assessing the adequacy of the scope of work agreed between management and the assurance auditor
  - assessing the professional competence and independence of the assurance auditor in the context of the engagement
  - evaluating findings provided in the assurance reports
- relying on the assurance reports to confirm the description, design and operating effectiveness of controls at the fund manager and master custodian
- relying on the assurance reports to confirm the existence, valuation and rights and obligations of investment assets and related liabilities at 30 June
- assessing the impact of any limitations, disclaimers or exceptions noted in the assurance reports on the audit.
- reviewing and assessing the impact of other representations given by the fund manager and master custodian
- obtaining further audit evidence that the value of investment assets and related liabilities not covered in the independent assurance auditor's report were materially correct
- assessing the completeness and adequacy of financial report disclosures against the requirements of Australian Accounting Standards.

Key audit matter

#### How I addressed the matter

#### Valuation of outstanding claims liability

Refer to Note 2.1.2 of the financial report for the value of the outstanding claims liability and Note 2.1.3 of the financial report for the actuarial assumptions and methods applied by management in valuing the liability.

Outstanding claims liability - \$17.3 billion

I considered this to be a key audit matter because:

- the outstanding claims liability is financially significant
- the underlying model used to value the liability is complex
- the valuation of the liability is subject to significant management assumptions and estimation uncertainty
- a small adjustment to a key assumption may have a significant effect on the total value of the liability
- extensive disclosures are required by Australian Accounting Standards which are critical to the users understanding of the valuation of this liability
- management engaged actuaries to value the liability as at 30 June.

My key procedures included:

- gaining an understanding of the systems, processes and model that affect claims data and the outstanding claims liability valuation
- assessing and testing the operating effectiveness of key controls supporting the underlying claims data used in the model
- assessing the completeness and accuracy of the claims data used in the model by reconciling this data to underlying claims data in the insurers systems
- assessing the professional competence and independence of management's actuary in the context of the engagement
- obtaining management's actuarial reports, and engaging an appropriately qualified independent actuary to:
  - assess the appropriateness of management's selection and application of the methods, significant assumptions and data used in valuing the liability
  - evaluate the appropriateness of the model used to value the liability
  - challenge the reasonableness of key assumptions by comparing against claims history and accepted industry benchmarks
  - o assess the reasonableness of the reported liability value
- assessing the adequacy of financial report disclosures against the requirements of applicable Australian Accounting Standards.

#### The Board's responsibilities for the financial report

The Board is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1994*, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

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Auditor's for the audit report

As required by the Audit Act 1994, my responsibility is to express an opinion on the financial responsibilities report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether of the financial due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

> As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- · obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Auditor's responsibilities for the audit of the financial report (continued)

From the matters communicated with the Board, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. I describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

MELBOURNE 6 September 2024 as delegate for the Auditor-General of Victoria

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# **How this report is structured**

The Transport Accident Commission (TAC) is pleased to present its audited general purpose financial statements for the financial year ended 30 June 2024, which shares information about the TAC's stewardship of resources. It is presented in the following structure:

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# **Financial statements**

#### **Comprehensive operating statement**

For the financial year ended 30 June 2024

	Note	2024 \$000	2023 \$000
Premium revenue		2,206,615	2,109,550
Premium collection fees		(47,036)	(26,651)
Net premium revenue	3.1	2,159,579	2,082,899
Unexpired risk liability	3.4(b)	(9,396)	-
Gross claims incurred		(2,099,137)	(1,022,837)
Claims recoveries revenue		116,361	38,655
Net claims incurred	2.1.1	(1,982,776)	(984,182)
Administration costs	5.1	(232,155)	(219,143)
Marketing and road safety		(97,711)	(104,977)
Safer system road infrastructure		(54,843)	(41,745)
Health, compensation and disability research		(5,236)	(5,076)
Underwriting expenses		(389,945)	(370,941)
Underwriting profit / (loss)		(222,538)	727,776
Investment income		1,739,856	1,646,876
Investment expense		(50,534)	(49,444)
Net investment income	4.1	1,689,322	1,597,432
Profit before income tax		1,466,784	2,325,208
Income tax expense	6.1	(426,744)	(668,543)
Net result for the year		1,040,040	1,656,665
Other comprehensive income		-	-
Other comprehensive income for the year		-	-
Total comprehensive result for the year		1,040,040	1,656,665

The above comprehensive operating statement should be read in conjunction with the accompanying notes to the financial statements.

#### **Balance sheet**

As at 30 June 2024

	2024	2023
Note	\$000	\$000
Current assets		
Cash and cash equivalents 4.3	85,028	83,236
Claims receivable 2.1.2	200,127	81,430
Premiums receivable	11,480	12,036
Other receivables	3,804	7,619
Investments 4.2	1,774,834	2,578,256
Deferred acquisition costs 3.2	9,980	17,885
Other assets	12,665	8,321
Total current assets	2,097,918	2,788,783
Non-current assets		
Claims receivable 2.1.2	882,581	749,796
Other receivables	3	4
Investments 4.2	16,603,411	16,069,625
Controlled entity 8.6	42,600	42,600
Property, plant and equipment	94,934	104,444
Intangibles	32,677	39,704
Deferred tax assets 6.2	262,458	338,887
Total non-current assets	17,918,664	17,345,060
Total assets	20,016,582	20,133,843
Current liabilities		
Outstanding claims 2.1.2	1,750,271	1,601,782
Unearned premiums 3.3	858,703	849,382
Unexpired risk 3.4	-	-
Advance premiums	52,238	54,013
Investment related liabilities 4.2	46,475	281,279
Payables	111,172	81,467
Provisions	32,955	30,225
Provision for income tax	-	393,179
Lease liabilities	8,274	7,528
Total current liabilities	2,860,088	3,298,855
Non-current liabilities		
Outstanding claims 2.1.2	15,516,275	15,114,035
Investment related liabilities 4.2	2,257	33,712
Provisions	4,608	4,671
Lease liabilities	91,420	98,489
Total non-current liabilities	15,614,560	15,250,907
Total liabilities	18,474,648	18,549,762
Net assets	1,541,934	1,584,081
Equity		
Reserves	38,521	34,763
Accumulated surplus	1,503,413	1,549,318
Total equity	1,541,934	1,584,081

 $\label{thm:companying} The above balance sheet should be read in conjunction with the accompanying notes to the financial statements.$ 

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#### Statement of changes in equity

For the financial year ended 30 June 2024

	Motorcycle road safety reserve \$000	Accumulated surplus / (deficit) \$000	Total \$000
At 1 July 2022	27,672	(100,256)	(72,584)
Total comprehensive result			
Net result for the year	-	1,656,665	1,656,665
Other comprehensive income	-	-	-
Total comprehensive result for the year	-	1,656,665	1,656,665
Transactions with owners, recorded directly in equity			
Transfer from accumulated surplus to motorcycle road safety reserve	8,545	(8,545)	-
Transfer from motorcycle road safety reserve to accumulated surplus	(1,454)	1,454	-
Total transactions with owners	7,091	(7,091)	-
At 30 June 2023	34,763	1,549,318	1,584,081
Total comprehensive result			
Net result for the year	-	1,040,040	1,040,040
Other comprehensive income	-	-	-
Total comprehensive result for the year	-	1,040,040	1,040,040
Transactions with owners, recorded directly in equity			
Transfer from accumulated surplus to motorcycle road safety reserve	8,623	(8,623)	-
Transfer from motorcycle road safety reserve to accumulated surplus	(4,865)	4,865	-
Dividend paid during the year (Note 6.3)	-	(1,082,187)	(1,082,187)
Total transactions with owners	3,758	(1,085,945)	(1,082,187)
At 30 June 2024	38,521	1,503,413	1,541,934

The above statement of changes in equity should be read in conjunction with the accompanying notes to the financial statements.

#### **Cash flow statement**

For the financial year ended 30 June 2024

Note Note	2024 \$000	2023 \$000
Cash flows from operating activities		
Premiums received	2,437,057	2,358,091
Dividends received	945,160	973,002
Interest received	56,323	37,319
Claims paid	(1,809,619)	(1,626,462)
Claims recoveries received	15,429	13,826
Payments to suppliers and employees	(301,315)	(326,812)
Payments for marketing and road safety projects	(94,977)	(107,917)
Payments for trauma projects and safer road infrastructure expenditure	(58,581)	(54,405)
Goods and services tax paid	(86,617)	(88,937)
Income tax paid	(743,494)	(342,248)
Net cash inflow from operating activities 4.3(b)	359,366	835,457
Cash flows from investing activities		
Purchase of investments	(3,935,495)	(4,283,821)
Sale of investments	3,773,615	3,465,301
Investment in controlled entity		(3,500)
Payments for plant and equipment	(1,049)	(3,550)
Proceeds from sale of plant and equipment	480	1,202
Payments for intangibles	(6,452)	(7,300)
Net cash outflow from investing activities	(168,901)	(831,668)
Cash flows from financing activities		
Repayment of lease principal	(10,116)	(9,774)
Dividend paid 6.3	(1,082,187)	-
Net cash outflow from financing activities	(1,092,303)	(9,774)
Net decrease in cash and cash equivalents	(901,838)	(5,985)
Cash and cash equivalents at the beginning of the year	1,445,029	1,451,017
Effects of exchange rate changes on cash held in foreign currencies	127	(3)
Cash and cash equivalents at end of the year 4.3(a)	543,318	1,445,029

The above cash flow statement should be read in conjunction with the accompanying notes to the financial statements.

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# 1. About this report

The TAC is a Government-owned enterprise, established under the *Transport Accident Act* 1986 to reduce the social and financial cost of transport accident injuries to the Victorian community.

Its principal address is:

Transport Accident Commission 60 Brougham St Geelong VIC 3220

For the purposes of this financial report prepared under Australian Accounting Standards, policy refers to the cover provided under the *Transport Accident Act* 1986.

#### **Basis of preparation**

The financial report has been prepared on a going concern basis. While the TAC recorded a working capital position at 30 June 2024 of negative \$762 million (2023: negative \$510 million), it delivered a net result for the year of \$1,040 million (2023: \$1,657 million) and positive cash flows from operating activities of \$359 million (2023: \$835 million). Based on the cash flow projections being positive twelve months from the signing of the financial statements, the Directors have concluded that the going concern assumption of the TAC remains appropriate.

This financial report has been prepared on an accruals basis, and is based on historical costs, except for outstanding claims liabilities, recovery receivables, employee leave liabilities (which are reported at present value) and investments and plant and equipment (which are reported at fair value). Cost is based on the fair values of the consideration given in exchange for assets.

The functional and presentation currency of the TAC is the Australian dollar. Amounts have been rounded to the nearest thousand dollars unless otherwise stated.

In the application of Australian Accounting Standards, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of Australian Accounting Standards that have significant effects on the financial report and estimates with a significant risk of material adjustments in the next year are disclosed in notes 2.1.2, 2.1.3, 6.2 and 7.3 in the financial report.

#### **Compliance information**

The financial report is a general purpose financial report which has been prepared in accordance with the *Financial Management Act* 1994 and applicable Australian Accounting Standards (AAS) which include Interpretations, issued by the Australian Accounting Standards Board (AASB).

Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The Assistant Treasurer has determined that the TAC is a "for-profit" entity for the purpose of preparing the financial statements.

The financial report was authorised for issue by the Directors on 29 August 2024.

# 2. Clients' lives back on track

#### Introduction to this section

The TAC is dedicated to eliminating road deaths and serious injuries. The fundamental principle of road safety is that people's lives are paramount.

The TAC is dedicated to assisting Victorians to recover and rehabilitate from road accidents, paying for treatment and support services for people injured in transport accidents.

This section provides details of the claims expenditure incurred by the TAC in these important initiatives, and the actuarial assumptions and methods used to determine the key assumptions related to such claims.

#### Structure

- 2.1 Clients' lives back on track
- 2.1.1 Net claims incurred
- 2.1.2 Claims
- 2.1.3 Actuarial assumptions and methods
- 2.1.4 Insurance contracts risk management policies and procedures

#### 2.1 Clients' lives back on track

The TAC is dedicated to assisting Victorians to recover and rehabilitate from road accidents and get their lives back on track as quickly as possible. The TAC covers transport accidents directly caused by the driving of a car, motorcycle, bus, train or tram, funding medical treatment for transport accident-related injuries for as long as it is necessary. The claims expenditure incurred in connection with helping Victorians to get their 'lives back on track' and expenditure incurred on trauma projects are both set out below.

#### 2.1.1 Net claims incurred

	2024			2023			
	Current year \$000	Prior years \$000	Total \$000	Current year \$000	Prior years \$000	Total \$000	
Gross claims incurred							
Undiscounted	3,588,766	2,117,354	5,706,120	3,412,292	(6,028,862)	(2,616,570)	
Discount movement	(1,399,410)	(2,207,573)	(3,606,983)	(1,318,376)	4,957,783	3,639,407	
	2,189,356	(90,219)	2,099,137	2,093,916	(1,071,079)	1,022,837	
Claims recoveries							
Undiscounted	(61,625)	(60,122)	(121,747)	(14,030)	(67,464)	(81,494)	
Discount movement	5,893	(507)	5,386	5,204	37,635	42,839	
	(55,732)	(60,629)	(116,361)	(8,826)	(29,829)	(38,655)	
Net claims incurred	2,133,624	(150,848)	1,982,776	2,085,090	(1,100,908)	984,182	

Current year claims incurred relates to risks borne in the current financial year. Prior year claims incurred relates to a reassessment of the claims assumptions (e.g. changes in economic assumptions and claims experience) made for all previous financial years, and include the effects of discounting caused by the natural reduction in discount as the claims move one year closer to settlement. Recoveries on claims paid and outstanding claims are recognised as revenue.

The net claims incurred of \$1,983 million (2023: \$984 million) is impacted by both internal and external (financial impact on changes in inflation assumptions and discount rates) factors as noted below:

	2024 \$000	2023 \$000
Claims incurred – internal	1,940,826	1,076,535
Claims incurred – external	41,950	(92,353)
Net claims incurred	1,982,776	984,182

The TAC appointed Finity Consulting Pty Ltd (Finity) to provide actuarial services with effect 1 July 2022. This change resulted in a reduction in net claims incurred for 2023 of \$801.8 million (2024: nil).

Refer to section 2.1.3 for discussion around the actuarial assumptions and methods.

#### **2.1.2 Claims**

#### Claims receivable

	2024 \$000	2023 \$000
Current		
Claims GST receivable	90,469	71,093
Claims recoveries	109,658	10,337
Total current	200,127	81,430
Non-current Non-current		
Claims GST receivable	801,899	670,725
Claims recoveries	80,682	79,071
Total non-current	882,581	749,796
Total claims receivable	1,082,708	831,226

Claims GST receivable amounts represent the GST credits which the TAC is entitled to claim on future claims payments. Claims recoveries receivable are assessed in a manner similar to the measurement of outstanding claims liability. A provision for impairment is recognised when there is objective evidence that the claims receivable is not recoverable.

#### **Outstanding claims liability**

	2024 \$000	2023 \$000
Expected future claims payments (undiscounted)	35,489,693	31,642,017
Discount to present value	(20,860,714)	(17,490,924)
	14,628,979	14,151,093
Claims handling expenses	1,024,029	990,575
	15,653,008	15,141,668
Risk margin	1,613,538	1,574,149
Outstanding claims liability	17,266,546	16,715,817
Current	1,750,271	1,601,782
Non-current	15,516,275	15,114,035
Outstanding claims liability	17,266,546	16,715,817

Outstanding claims liability as at 30 June 2024 has been determined by the Directors after appropriate consideration of the actuarial advice provided by an independent actuarial firm, Finity Consulting Pty Ltd (Finity).

#### Liquidity risk

Liquidity risk arises from the TAC being unable to meet financial obligations as they fall due. The TAC manages liquidity risks through holding high-quality liquid assets in its total investment portfolio, which are readily convertible to cash assets. The TAC is normally cash flow positive with premium and investment income exceeding claims and administrative cost payments. The following table summarises the maturity profile of the TAC's claims liabilities.

2024	Less than 12 months	1-5 years	5+ years	Total
	\$000	\$000	\$000	\$000
Outstanding claims liability – undiscounted	1,584,523	4,745,053	33,137,961	39,467,537

2023				
Outstanding claims liability – undiscounted	1,551,811	4,518,049	29,496,833	35,566,693

Refer to note 7.1 for the maturity profile relevant to the TAC's financial liabilities.

#### Reconciliation of movement in discounted outstanding claims liability

		2024			2023	
	Gross \$000	Recoveries \$000	Net \$000	Gross \$000	Recoveries \$000	Net \$000
Outstanding claims brought forward	16,715,817	(831,226)	15,884,591	17,239,007	(824,692)	16,414,315
Effect of changes in economic assumptions	76,806	1,493	78,299	(135,559)	1,006	(134,553)
Effect of past inflation rate different to assumptions	(43,252)	1,650	(41,602)	46,188	(1,889)	44,299
Effect of changes in other assumptions	(541,398)	(7,281)	(548,679)	(1,135,526)	(27,089)	(1,162,615)
Increase in claims incurred/ recoveries in current accident year	2,189,356	(108,606)	2,080,750	2,093,916	(8,826)	2,085,090
Release of risk margin and claims handling expenses	(245,429)	-	(245,429)	(225,266)	-	(225,266)
Cost of prior year claims moving one year closer to payment	663,054	(3,617)	659,437	379,084	(1,857)	377,227
Incurred claims recognised in the comprehensive operating						
statement	2,099,137	(116,361)	1,982,776	1,022,837	(38,655)	984,182
Claims payments and recoveries during the year	(1,698,958)	15,429	(1,683,529)	(1,527,732)	13,826	(1,513,906)
Increase in provision for GST credits	150,550	(150,550)	-	(18,295)	18,295	-
Outstanding claims carried forward	17,266,546	(1,082,708)	16,183,838	16,715,817	(831,226)	15,884,591

undiscounted outstanding claims relative to the ultimate expected Claims will often take a number of years to be settled from the date the original accident occurred. The table shows the development of claims for the ten most recent accident years.

# Claims development table

1,082,708 7,317,464 1,024,029 (98,223)(8,127,807)(9,826,516)3,179,635 2,961,548 (218,087) 3,018,890 2,890,168 (426,804)2,463,364 2,517,162 3,077,635 2,515,315 2,515,315 (531,703)1,983,612 2,603,511 2,603,511 2,602,462 (673,427)3,131,211 2,461,902 2,514,303 2,514,303 (869,789) 3,664,731 2,826,900 (1,110,615)1,925,778 3,549,099 3,404,508 3,036,393 2,843,630 3,081,587 2,547,924 (1,185,424)1,362,500 2,485,224 3,018,510 2,503,044 2,642,410 2,889,012 2,642,410 (1,131,223)2,914,277 1,511,187 2,725,521 2,978,133 2,778,799 2,725,621 2,092,302 2,123,889 (1,046,829)1,077,060 2,610,958 2,123,889 2,443,654 2,787,325 2,270,095 907,437 1,881,199 1,841,343 1,841,343 (933,906) 2,152,493 2,373,067 Allowance for recoveries recei and GST credits Claims handling expenses Current estimate of cun At end of accident year 2014 and prior claims Estimate of ultimate Outstanding claims Seven years late Cumulative paym Three years late Eight years later Four years later Five years later Two years later One year later Six years later Nine years I

#### 2.1.3 Actuarial assumptions and methods

The TAC operates the Victorian Transport Accident Compensation Scheme which is long tail in nature, meaning that many claims are settled more than one year after being reported.

Significant estimates and judgements are made by the TAC valuation actuary in respect of certain key asset and liability amounts disclosed in the financial statements. The key areas of significant estimates and judgements and the methodologies used to determine key assumptions related to claims are set out below.

#### **Outstanding claims liability**

17,266,546

Outstanding claims per balance sheet

The outstanding claims liability is measured on the basis of actuarially estimated costs of future claims payments, which include goods and services tax (GST), the anticipated effects of inflation and other factors. The expected future payments include those in relation to claims reported but not yet paid, claims incurred but not yet reported, and the anticipated direct and indirect costs of settling those claims. The expected future payments are discounted to present value at balance date using a risk-free rate.

A risk margin is applied to the outstanding claims liability to reflect the inherent uncertainty in the central estimate of the outstanding claims liability. The risk margin increases the probability that the claims liability is adequately provided for to a 75% (2023: 75%) probability of sufficiency.

The estimation of outstanding claims liabilities is based largely on the assumption that past developments are an appropriate predictor of the future and involves a variety of actuarial techniques that analyse experience, trends and other relevant factors. The process commences with the actuarial projection of the future claims payments and claims handling costs incurred to reporting date. Each service group is usually examined separately.

Actuarial techniques used to analyse and project the various service groups include:

- · Payments per claim incurred (PPCI)
- · Payments per active claim (PPAC)
- · Payments per claim settled (PPCS)
- · Bornhuetter Ferguson (BF)
- · Annuity based individual claim models (ICM)

Projected future claims payments and associated claims handling costs are discounted to a present value as required using appropriate risk-free discount rates (i.e. rates set with reference to Commonwealth Government Securities). A projection of future claims payments is undertaken separately of both gross claims payments and recoveries.

This projection is made without bias toward over or under estimation. As such, the resulting estimate is considered to be a net central estimate of outstanding claims liabilities that has an approximately equal chance of proving adequate or inadequate.

The following assumptions have been made in determining the outstanding claims liabilities.

	30 June 2024	30 June 2023
Average claim frequency (claims per 1000 registered vehicles)	2.95	2.90
Average claim size	\$112,097	\$108,674
- Average care compensation size	\$15,337	\$17,206
- Average common law compensation size	\$39,950	\$38,471
- Average all other payment size	\$56,810	\$52,998
Expense rate	7.0%	7.0%
Weighted average discount rate (0 to 20 years)	4.47%	4.21%
Weighted average discount rate (21+ years)	4.77%	4.49%
Weighted average discount rate	4.66%	4.39%
Weighted average AWE inflation rate (0 to 20 years)	3.60%	3.41%
Weighted average AWE inflation rate (21+ years)	3.69%	3.42%
Weighted average CPI inflation rate (0 to 20 years)	2.71%	3.80%
Weighted average CPI inflation rate (21+ years)	2.72%	2.83%
Average weighted term to settlement from balance date	13.8 years	13.6 years
Risk Margin	11.0%	11.0%

#### **Process used to determine assumptions**

A description of the processes used to determine these assumptions is provided below:

Claim frequency for the current accident year is estimated by projecting the number of claims incurred based on claims already reported and past patterns of claims reporting, and dividing this by the number
of vehicle registrations.
The average claim size is in respect of the current underwriting year and takes into account the expected payments for each service group (e.g. care, income, treatment, impairment benefits, common law, other), as well as the proportion of total injured motorists that receive each benefit. The figures shown in the above table are in nominal values excluding the impact of inflation.
The average claim size is further broken down into three key components: no-fault compensation, split between care and all other service groups, and common law compensation (including legal costs). This takes into account the number of injured motorists expected to access the particular compensation as well as the amount of compensation expected to be paid.
Claims handling expenses have been estimated by reference to past and projected claims handling costs across a number of different claims types. The overall allowance represents 7.0% (2023: 7.0%).
Discount rates adopted are 'risk-free' rates, set by reference to traded Commonwealth Government securities. For years 26 onwards, there are no risk-free securities on issue with term to maturity beyond this point. Therefore, the long-term discount rates are set with reference to historic observed discount rates, as well as the real rate of return above inflation.
Economic inflation assumptions in the short term are set by reference to current economic forecasts. Inflation assumptions for the medium and longer term are set by blending from the short-term assumptions to an assumed long-term assumption, with blending based on the shape of the discount rates.
The average weighted term to settlement is calculated separately by benefit type based on historic settlement patterns. It is an outworking of the models, rather than an explicit assumption, and represents the average inflated and discounted term of payments in the outstanding liability from the balance date to payment.
A risk margin is applied to the outstanding claims liability to reflect the inherent uncertainty in the central estimate of the outstanding claims liability. The risk margin increases the probability that the claims liability is adequately provided up to a 75% probability of sufficiency. The risk margin applied at balance

#### **Sensitivity analysis – insurance contracts**

The TAC's valuation actuary conducts sensitivity analysis to quantify the exposure to risk of changes in the key underlying variables. The valuations included in the reported results are calculated using certain assumptions about these variables, as disclosed above. The movement in any key variable will impact the performance and equity of the TAC. The tables below describe how a change in each assumption will affect the scheme liabilities and show how changes in these assumptions impact on profit and equity.

Variable	Impact of movement in variable
Average long-term care size	The average long-term care size per no-fault claim will vary with the number of injured motorists receiving care services and the amount of that compensation. The amount depends not only on which services are received, but also on the age at which motorists are injured, as many will require care for the rest of their lives. Increases or decreases in any of these components will result in a corresponding impact on claims expense. The +/- x% movement shown in the impact table below represents a x% increase or decrease in all future estimated long-term care payments included in the outstanding claims liability.
Average common law compensation size	The average common law compensation per no-fault claim will vary with the number of injured motorists receiving common law compensation and the amount of that compensation (including legal costs). Increases or decreases in any of these components will result in a corresponding impact on claims expense. The +/- x% movement shown in the impact table below represents a x% increase or decrease in all future estimated common law payments included in the outstanding claims liability.
Expense rate	An estimate of the internal costs of handling claims is included in the outstanding claims liability. An increase or decrease in the expense rate assumption would have a corresponding impact on claims expense.
Discount rate	An increase or decrease in the assumed discount rate will have an opposing impact on total claims expense.
Inflation and superimposed inflation rates	An increase or decrease in the assumed inflation rates will have a corresponding impact on total claims expense.

#### Impact of changes in key variables

Variable	Movement	2024 Net result \$000	2023 Net result \$000	2024 Equity \$000	2023 Equity \$000
Recognised amounts per the financial statements		1,040,040	1,656,665	1,541,934	1,584,081
Average long-term care size	+10%	508,925	1,148,358	1,010,819	1,075,774
Average long-term care size	-10%	1,571,155	2,164,972	2,073,049	2,092,388
Average common law size	+10%	848,414	1,479,381	1,350,308	1,406,797
Average common law size	-10%	1,231,666	1,833,949	1,733,560	1,761,365
Expense rate	+1%	926,373	1,546,711	1,428,267	1,474,127
Expense rate	-1%	1,153,707	1,766,619	1,655,601	1,694,035
Weighted average discount rate (0–20 years)	+0.5%	1,583,706	2,194,017	2,085,600	2,121,433
weighted average discount rate (0-20 years)	-0.5%	450,485	1,073,923	952,379	1,001,339
Weighted average discount rate (21+ years)	+0.5%	1,217,793	1,818,616	1,719,687	1,746,032
weighted average discount rate (21+ years)	-0.5%	842,624	1,477,491	1,344,518	1,404,907
Weighted average inflation rate: AWE and CPI (0-20 years)	+0.5%	441,355	1,066,991	943,249	994,407
weighted average initation rate. Awe and GPI (0-20 years	-0.5%	1,597,259	2,205,513	2,099,153	2,132,929
Weighted average inflation rate: AWE and CPI (21+ years)	+0.5%	836,350	1,470,580	1,338,244	1,397,996
weighted average illiation rate. Awe and OFI (21+ years)	-0.5%	1,225,041	1,826,275	1,726,935	1,753,691

#### 2.1.4 Insurance contracts - risk management policies and procedures

The financial condition and operation of the TAC is affected by a number of key risks including insurance risk, financial risk and operational risk.

The TAC's policies and procedures in respect of managing insurance risks are set out below.

#### Risks arising from insurance operation and policies for mitigating those risks

The TAC's performance from insurance operations is affected by the inherent nature of insurance risks and market factors external to the TAC.

The TAC's risk management strategy covers all aspects of the TAC's operations, including any reinsurance risk retention limits. It also includes processes and controls in respect of the management of both financial and non-financial risks likely to be faced by the organisation.

Key aspects of the processes established to mitigate risks include:

- the maintenance and use of sophisticated management information systems, which provide reliable and up-to-date data on the risks to which the business is exposed at any point in time
- actuarial models incorporating past experience, statistical methods and information derived from the management information systems to monitor claims patterns
- catastrophic accidents are modelled and the TAC's exposures are, if elected by the TAC's Board, protected by arranging reinsurance to limit the losses arising from an individual event. The retention and limits are approved by the TAC's Board
- where specific reinsurance coverage is elected, only reinsurers with credit ratings equal to, or in excess of, a minimum level determined by management are accepted and
- the investment allocation strategy, established by the Victorian Funds Management Corporation (VFMC) in consultation with the TAC, is derived by the matching of assets to the underlying claims liabilities to optimise the returns within the risk management parameters.

The TAC Board has elected to retain the risk from catastrophic accidents and therefore have not entered into any reinsurance contracts.

#### **Terms and conditions**

The terms and conditions of the Transport Accident Compensation Scheme administered by the TAC are established under the *Transport Accident Act 1986*. The TAC offers three, six and twelve-month insurance terms. The period of indemnity is generally 12 months.

Where coverage is elected, reinsurance contracts are negotiated and entered into annually to protect the TAC against large losses.

#### **Concentration of insurance risk**

The TAC operates the Victorian Transport Accident Compensation Scheme. The TAC's exposure to concentration of insurance risks is motor vehicles, trains and trams.

#### Interest rate risk

Assets or liabilities arising from insurance or, where applicable, reinsurance contracts entered into by the TAC are directly exposed to interest rate risk.

#### **Credit risk**

The TAC has no significant concentrations of credit risk.

# 3. Collection of premium revenue

#### Introduction to this section

The funds the TAC needs to perform its key strategy are attained from payments primarily made by Victorian motorists when they register their vehicles with the Department of Transport and Planning. The expenditure incurred by the TAC in the implementation of these strategies is disclosed above, and the funds that enable the delivery of the initiatives are outlined below.

#### Structure

- 3.1 Net premium revenue
- 3.2 Deferred acquisition costs
- 3.3 Unearned premiums
- 3.4 Unexpired risk liability

#### 3.1 Net premium revenue

	2024 \$000	2023 \$000
Premium revenue	2,206,615	2,109,550
Premium collection fees	(47,036)	(26,651)
Net premium revenue	2,159,579	2,082,899

Premium revenue refers to the transport accident charge for motor vehicles and premium charge for trains and trams, and is recognised from the attachment date over the period of the policy. The pattern of recognition over the policy period is based on time, which is considered to approximate closely with the pattern of risks underwritten. Premium revenue is net of refunds and excludes stamp duty and GST

#### 3.2 Deferred acquisition costs

	2024 \$000	2023 \$000
Balance at 1 July	17,885	214
Acquisition costs incurred in the year	48,527	44,322
Amount expensed to comprehensive operating statement	(47,036)	(26,651)
Write down due to premium deficiency	(9,396)	-
Deferred acquisition costs	9,980	17,885

Acquisition costs represent fees incurred for the collection of transport accident charges for motor vehicles. Acquisition costs are deferred and recognised as assets where they can be reliably measured, and where it is probable that they will give rise to a future benefit. Deferred acquisition costs are measured at the lower of cost and recoverable amount and are expensed to correspond to the earning pattern of the premium revenue.

The deferred acquisition cost has been partially written down as a result of the recording of a premium deficiency at 30 June 2024 (refer note 3.4).

#### 3.3 Unearned premiums

	2024 \$000	2023 \$000
Balance at 1 July	849,382	810,244
Deferral of premium written in the year	858,703	849,382
Earning of premium written in previous year	(849,382)	(810,244)
Unearned premiums	858,703	849,382

Unearned premiums represent the proportion of premiums received or receivable not earned and relate to periods of insurance subsequent to balance date. They are computed on the basis that the risk attaches to all policies from the middle of the month in which they are written.

2024

9.396

2023

24,504

#### 3.4 Unexpired risk liability

Deferred acquisition costs written down

Net premium surplus / (deficiency)

Unexpired risk liability at beginning of year	-	-
Increase / (decrease) in unexpired risk liability	-	-
Unexpired risk liability at end of year	-	-
a) Calculation of premium deficiency		
Net unearned premium liability <sup>(1)</sup>	886,816	880,600
Net present value of future claims costs	(807,398)	(771,258)
Risk margin	(88,814)	(84,838)
Gross premium surplus / (deficiency)	(9,396)	24,504

<sup>(1)</sup> Net unearned premium liability includes Unearned Premiums and Advance Premiums (net of GST), less Gross deferred acquisition costs recognised

b) Movements in carrying amounts		
Amount expensed to comprehensive operating statement	9,396	
Deferred acquisition costs written down	(9,396)	
	-	

The above prior year Net unearned premium liability comparative has been restated to reflect Advance Premiums net of GST.

At each reporting date, the TAC performs a liability adequacy test to assess whether the unearned premium liability is sufficient to cover all expected future cash flows relating to future claims against current insurance contracts.

The unearned premium liability is deemed to be deficient when the expected future cash claims plus the additional risk margin (refer to 2.1.3) exceeds the unearned premium liability less related intangible assets and deferred acquisition costs.

The entire deficiency is recognised immediately in the comprehensive operating statement. The deficiency is recognised first by writing down any related intangible assets and then related deferred acquisition costs, with any excess being recorded in the balance sheet as an unexpired risk liability. A gross deficiency of \$9.4 million was recorded at 30 June 2024 (2023: surplus of \$24.5 million).

# 4. Investment portfolio

#### Introduction to this section

This section includes the investments held by the TAC that are used to supplement the premiums earned to fund its functions.

#### **Structure**

- 4.1 Net investment income
- 4.2 Investments
- 4.3 Cash and cash equivalents

#### 4.1 Net investment income

	2024 \$000	2023 \$000
Dividends	943,176	972,595
Interest	54,602	37,669
Changes in fair values of investments through the comprehensive operating statement	742,078	636,612
Investment income	1,739,856	1,646,876
Investment expense	(50,534)	(49,444)
Net investment income	1,689,322	1,597,432

Dividend income is recognised when the TAC's right to receive payment has been established. Dividend income through trust distributions is recognised when the market prices are quoted ex-distribution for listed trusts, while unlisted trust distributions are recognised when the trustee declares a distribution. Interest income is recognised on an accrual basis.

Changes in fair values of investments is the difference between the fair value of the investments at 30 June 2023, or the cost of acquisition (for investments purchased during the year), and sales proceeds or their fair value at 30 June 2024.

Investment expenses are fees paid to the VFMC under the Client Funds Management Service Agreement and other professional fees incurred by the TAC in relation to the management of the investment portfolio.

The net return on the investment portfolio for the year was positive 9.24% (2023: positive 9.48%).

#### 4.2 Investments

The TAC's investment activity is undertaken pursuant to the *Transport Accident Act* 1986, the *Borrowing and Investment Powers Act* 1987 and the Treasurer's Prudential Statement. It is the Victorian Government's policy that all the investment assets of the TAC be managed by the VFMC.

Under the Centralised Model implemented by the Victorian Government in July 2006, the TAC is responsible for setting its investment objectives, whilst the VFMC has responsibility to develop appropriate investment strategies that target the TAC's investment objectives. The investment strategy that is determined by the VFMC for the TAC is documented in a detailed Investment Risk Management Plan (IRMP), which is approved by the Treasurer. The IRMP is prepared by the VFMC and addresses issues concerning strategy, portfolio construction, benchmarks and risk management.

The prudential supervision responsibility of the investments rests with the Department of Treasury and Finance (DTF). The VFMC Board is required to certify to the DTF on an annual basis and on a semi-annual basis to the TAC, that the TAC's investment portfolio has been managed in accordance with the accepted IRMP and with the TAC's investment objectives. The TAC is responsible for the review of the contractual and service-level agreements, and for periodically reviewing and discussing with the VFMC its investment performance against its investment objectives.

The investment portfolio consists of a range of assets to match the TAC's liability characteristics, which includes equities to provide for long-term growth and other assets that provide diversification benefits across the general portfolio.

	2024 \$000	2023 \$000
Investment assets		
Cash and cash equivalents	458,290	1,361,793
Cash collateral and margin accounts	5,503	30,913
Receivables	1,233,385	1,152,163
Derivative assets	118,276	35,883
Equity and managed investment schemes	16,562,791	16,067,129
	18,378,245	18,647,881
Investment related liabilities		
Cash collateral and margin accounts	(2,051)	(9,051)
Derivative liabilities	(46,681)	(305,940)
	(48,732)	(314,991)
Total	18,329,513	18,332,890

The TAC has uncalled capital commitments within its investments totalling \$1,613 million as at 30 June 2024 (2023: \$3,287 million), which have not been recognised on the balance sheet.

	2024 \$000	2023 \$000
Current		
Investment assets	1,774,834	2,578,256
Investment related liabilities	(46,475)	(281,279)
Non-current		
Investment assets	16,603,411	16,069,625
Investment related liabilities	(2,257)	(33,712)
Total	18,329,513	18,332,890

#### **Assets backing insurance liabilities**

The TAC's investment portfolio is managed by the VFMC through internal management and external fund managers and a Master Custodian. The Master Custodian holds the investments and conducts settlements pursuant to instructions from internal management and fund managers.

The TAC has determined that all assets, except for plant and equipment and intangibles, are held to back insurance liabilities. Investments are designated at fair value through profit and loss on the basis that the investments are managed as a portfolio based on their fair values, and have their performance evaluated in accordance with documented risk management and investment strategies. Initial recognition is at cost in the balance sheet and subsequent measurement is at fair value, with any resultant changes in fair value recognised in the comprehensive operating statement.

Details of fair value for the different types of investment assets are listed below:

- cash assets, deposits held at call with banks and investments in money market instruments are carried at face value, which
  approximate to their fair value
- cash collateral and margin accounts refers to amounts held as security against future counterparty performance. These assets are
  recorded at face value and categorised as Level 1. Margin accounts represent cash held with a broker or central counterparties against
  open futures contracts and/or other derivatives
- investments in discounted money market instruments are valued at their quoted mid-price at the balance sheet date as, with fine trading spreads in this market, there is an ability to transact at mid-price
- shares, fixed interest securities, options and units in trusts listed on stock exchanges or traded in an open market are initially
  recognised at cost (which is equal to fair value), and the subsequent fair value is taken as the quoted bid price of the instruments at
  the balance sheet date
- · futures contracts listed on recognised exchanges are valued using the quoted settlement price
- units in unlisted trusts are recorded at fair value as determined by the fund manager or valuation by other skilled independent third
  parties. In determining fair value, the manager or third parties use observable market transactions of the units and underlying assets
  where available and applicable. Some of the underlying assets of the trusts are valued using valuation models that include inputs
  which are not based on observable market data.

Refer to note 7.3 for discussion on valuation judgements in relation to the fair value of investments.

All purchases and sales of investments that require delivery of the asset within the time frame established by regulation or market convention ('regular way' transactions) are recognised at trade date, being the date on which the commitments are made to buy or sell the asset. In cases where the period between trade and settlement exceeds this time frame, the transaction is recognised at settlement date.

Investments held at balance sheet date that are denominated in foreign currencies are retranslated to Australian dollars at rates of exchange ruling at the balance sheet date. Exchange differences are recognised in the comprehensive operating statement in the period in which they arise. Investments are derecognised when the rights to receive future cash flows from the assets have expired, or have been transferred, and the TAC has transferred substantially all the risks and rewards of ownership.

Investments that are due to mature, expire or be realised within twelve months of balance date are classified as current investments in the balance sheet. While this classification policy may result in a reported working capital deficit, the TAC holds high-quality liquid assets in its investment portfolio, which are readily convertible to cash assets. In addition, the TAC is normally cash flow positive, with premium and investment income exceeding claims and administrative cost payments.

#### **Derivative financial instruments**

VFMC and fund managers use derivative financial instruments, such as foreign exchange contracts, futures, swaps and options to more effectively manage the risks associated with investing in large institutional portfolios. Derivatives are originally recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date, with any gain or loss recognised in the comprehensive operating statement.

The fair value of forward exchange contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles. The fair value of interest rate swap contracts is determined by reference to market values for similar instruments.

#### 4.3 Cash and cash equivalents

#### (a) Reconciliation of cash and cash equivalents

For the purpose of the cash flow statement, cash includes cash on hand and at banks and cash equivalent assets. Cash equivalent assets are highly liquid investments with short periods to maturity, which are readily convertible to cash at the option of the TAC. Cash at the end of the financial year, as shown in the cash flow statement, is reconciled to the related items in the balance sheet as follows:

	2024 \$000	2023 \$000
Cash and cash equivalents (bank)	85,028	83,236
Cash equivalents (investments)	458,290	1,361,793
Total	543,318	1,445,029

#### (b) Reconciliation of net cash flows from operating activities to net results

	2024 \$000	2023 \$000
Net result for the year	1,040,040	1,656,665
Depreciation and amortisation	24,481	24,563
Finance costs	(255)	(338)
Changes in fair values of investments through the comprehensive operating statement	(742,078)	(636,612)
Loss / (profit) on sale of plant and equipment	(136)	(406)
Changes in assets and liabilities		
Increase / (decrease) in outstanding claims	550,729	(523,190)
Increase / (decrease) in unearned premiums	9,321	39,138
Decrease / (increase) in receivables and other assets	(239,844)	(25,331)
Increase / (decrease) in creditors and provisions	33,858	(25,327)
Decrease / (increase) in net deferred tax balances	76,429	267,634
Increase / (decrease) in income tax payable	(393,179)	58,661
Net cash inflow / (outflow) from operating activities	359,366	835,457

# 5. Cost of operations

#### Introduction to this section

#### Structure

This section provides details of costs incurred by the TAC to support its day-to-day operating activities.

5.1 Administration costs

#### **5.1 Administration costs**

	2024 \$000	2023 \$000
Staff and related	166,670	156,325
Information technology	18,123	16,165
Occupancy and utilities	7,496	7,263
Other operating	17,224	16,713
Depreciation and amortisation	22,642	22,677
Total	232,155	219,143
Total administration costs include the following:		
Operating lease rentals	1,766	1,777
Auditor-General's fees	218	246
Interest on leases	3,006	3,102
Unwind of discount and effect of changes in the discount rate on employee provision	(255)	(338)

# 6. Taxation and shareholder transactions

#### Introduction to this section

The TAC is required to pay income tax equivalent under the National Tax Equivalent Regime.

#### Structure

- 6.1 Income tax
- 6.2 Deferred tax
- 6.3 Dividends paid

#### 6.1 Income tax

In accordance with section 88 (3D) of the *State Owned Enterprises Act 1992*, the TAC is required to pay income tax equivalent under the National Tax Equivalent Regime (NTER). The income tax expense or benefit comprises current and deferred tax.

Income tax recognised in comprehensive operating statement	2024 \$000	2023 \$000
Income tax expense comprises:		
Current tax expense	330,758	393,179
Deferred tax adjustment – movement in temporary differences	95,825	275,841
Adjustment in respect of prior years	161	(477)
Total tax expense	426,744	668,543
Deferred tax adjustment movement in temporary differences comprises:		
(Increase) / Decrease in deferred tax assets	(2,441)	269,223
Increase / (Decrease) in deferred tax liabilities	98,266	6,618
	95,825	275,841
Reconciliation between net result before tax and income tax expense		
Net profit before tax	1,466,786	2,325,208
Tax at the statutory rate of 30% (2023: 30%)	440,036	697,562
Imputation gross-up on dividends received	10,749	12,231
Franking credits and withholding tax on dividends received	(23,945)	(40,771)
Sundry items	(96)	(479)
Income tax expense	426,744	668,543

#### 6.2 Deferred tax

Deferred tax balances	2024 \$000	2023 \$000
Deferred tax assets comprise:		
Claims handling expense included in outstanding claims	341,001	329,862
Sundry items	19,723	15,643
	360,724	345,505
Deferred tax liabilities comprise:		
Unrealised gain on investments	98,266	6,618
	98,266	6,618
Net deferred tax assets	262,458	338,887

Deferred tax is recognised for all taxable temporary differences and is calculated based on the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates that are expected to apply when the assets and liabilities are realised or settled, based on tax rates that have been enacted or substantially enacted by reporting date.

Deferred tax assets are recognised only to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities, which affect neither taxable income nor accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all, or part of, the deferred tax asset to be utilised.

Deferred tax assets and liabilities are offset as the TAC settles its current tax assets and liabilities on a net basis.

#### 6.3 Dividends paid

In accordance with section 29B of the *Transport Accident Act* 1986, the TAC is required to pay the Victorian State Government a dividend, as determined by the Treasurer. An obligation to pay a dividend only arises after a formal determination is made by the Treasurer, following consultation between the TAC, the Minister and the Treasurer.

The TAC made a dividend payment to the Victorian State Government of \$1,082 million during 2023-24 (2022-23: nil).

# 7. Financial instruments

#### Introduction to this section

This section provides information on the sources of finance utilised by the TAC during its operations, including disclosures of balances that are financial instruments and discussion on valuation judgements.

#### Structure

- 7.1 Financial risk management
- 7.2 Offsetting financial assets and financial liabilities
- 7.3 Fair value Financial assets and financial liabilities

#### 7.1 Financial risk management

The TAC's financial assets and liabilities are exposed to a variety of financial risks, including market risk (consisting of interest rate, foreign currency and equity price risk), credit risk and liquidity risk.

#### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The VFMC manages market risk by seeking input from the TAC's actuaries to ensure the investment mix is appropriate to service future liabilities, and that projected outcomes are in line with the TAC's overall investment objectives and remain within the risk parameters approved by the Treasurer.

#### Interest rate risk

Interest rate risk is the risk that the TAC is impacted by significant changes in interest rates. The VFMC manages interest rate risk through an asset allocation strategy for the TAC's investment portfolio, which acts as an economic hedge against the insurance liabilities of the TAC. To the extent that these assets and liabilities can be matched, no gain or loss is recognised. The VFMC uses derivatives to manage the interest rate risk on interest rate sensitive assets. Interest rate swap contracts and forward rate agreements are used to mitigate interest rate risks.

A summary of the TAC's interest-bearing financial instruments is as follows:

	Variable rate 2024 \$000	Fixed rate 2024 \$000	Total 2024 \$000	Variable rate 2023 \$000	Fixed rate 2023 \$000	Total 2023 \$000
Financial assets						
Cash and cash equivalents	85,028	-	85,028	83,236	-	83,236
Investments:						
- derivative assets	2,543	-	2,543	-	-	-
- other investments	456,239	-	456,239	1,371,344	-	1,371,344
	543,810	-	543,810	1,454,580	-	1,454,580
Financial liabilities						
Derivative liabilities	1,539	-	1,539	-	-	-
Other liabilities	-	99,694	99,694	-	106,017	106,017
	1,539	99,694	101,233	-	106,017	106,017
Total	542,271	(99,694)	442,577	1,454,580	(106,017)	1,348,563

#### Interest rate sensitivity

A 0.5% movement in interest rates (or discount rates) is used by the TAC's actuaries to present the sensitivities of the actuarial claims liabilities to management to allow them to monitor interest rate risk on liabilities. A sensitivity table is not disclosed, as the impact of a 0.5% movement in interest rates, with all other variables held constant on the TAC's net profit and equity, is not material.

#### Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The TAC is exposed to foreign exchange risk through its investments, which are denominated in foreign currency, and anticipated future transactions.

The VFMC limits foreign exchange risk through the use of forward currency contracts, where it agrees to sell specified amounts of foreign currencies in the future at a predetermined exchange rate. The proportion of foreign exchange risk that is hedged is reviewed regularly to ensure that the net exposure is maintained at a level that is consistent with the overall investment objectives.

The foreign exchange risk disclosures have been prepared on the basis of the TAC's direct investment and not on a look-through basis for investments held indirectly through unit trusts. Consequently, the disclosure of currency risk in the note may not represent the true currency risk profile of the TAC where a unit trust has significant investments which have exposure to the currency markets.

The TAC's exposure is mainly via the major currencies such as United States dollar, Japanese yen, the Euro and British pound.

#### Foreign currency sensitivity

The following table details the TAC's sensitivity to a 15% (2023: 10%) increase or decrease in the Australian Dollar against the relevant foreign currencies with all other variables held constant.

	2024 \$000	2023 \$000
Impact on profit and equity of a 15% (2023: 10%) increase in foreign exchange rates:		
- Before impact of foreign exchange derivatives	(215,739)	(123,622)
- Impact of foreign exchange derivatives	968,821	639,330
- After impact of foreign exchange derivatives	753,082	515,708
Impact on profit and equity of a 15% (2023: 10%) decrease in foreign exchange rates:		
- Before impact of foreign exchange derivatives	291,882	151,093
- Impact of foreign exchange derivatives	(1,310,758)	(781,402)
- After impact of foreign exchange derivatives	(1,018,876)	(630,309)

#### **Equity price risk**

The TAC is exposed to equity price risk arising from investments both within Australian markets and overseas (refer to note 4.2). Equity investments are held for strategic rather than trading purposes. The VFMC limits price risk through diversification of the equity investment portfolio.

#### **Equity price sensitivity**

At reporting date, if listed/unlisted equity prices had been 15% (2023: 10%) higher or lower and all other variables were held constant, the TAC's net profit and equity would increase or decrease by \$1,734.1 million (2023: \$1,131.3 million).

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#### **Credit risk**

Credit risk refers to the risk that an issuer or counterparty will default on its contractual obligations, resulting in financial loss to the TAC. The VFMC manages counterparty credit risk by conducting due diligence on counterparties and will only deal with counterparties of high quality with substantial balance sheets. Agreements also contain provisions for the agreement to be reviewed or rescinded upon the occurrence of specified events relating to counterparty credit and liquidity.

Assessment processes also ensure that well-defined documentation underpins each transaction, that clear rules exist for completing single transactions with a particular counterparty, and that appropriate credit limits exist to accommodate the transaction. Exposure is measured on a multi-tiered basis according to factors such as the individual transaction, counterparty total and credit rating total, and is monitored by personnel separated from the dealing function. When conducting over-the-counter derivative transactions, bilateral legal contracts must be signed with the counterparty prior to execution of the transaction.

The establishment of appropriate policies and multi-tiered limits ensures that the TAC maintains a diversified portfolio without any significant concentration of credit risk on an industry, regional or country basis. The TAC's maximum exposure to credit risk at balance date in relation to each class of financial asset is the carrying amount of those assets, as indicated in the balance sheet.

#### Concentrations of credit risk

The VFMC manages credit risk by diversifying the exposure amount with particular issuers and counterparties. The TAC does not have any significant concentration of credit risk on an industry, regional or country basis. The investment strategy for the TAC is to ensure a diversified portfolio. The table below provides information regarding credit risk exposure of the TAC by classifying assets according to the VFMC's credit ratings of counterparties.

2024	Investment grade \$000	Non-Investment grade \$000	Total \$000
Cash and cash equivalents	85,028	-	85,028
Cash equivalents (investments)	458,290	-	458,290
Derivative assets	-	118,276	118,276
Other receivables	-	3,807	3,807
Total	543,318	122,083	665,401

2023			
Cash and cash equivalents	83,236	-	83,236
Cash equivalents (investments)	1,361,793	-	1,361,793
Derivative assets	-	35,883	35,883
Other receivables	-	7,623	7,623
Total	1,445,029	43,506	1,488,535

The VFMC classifies all assets with Standard and Poor's credit ratings of AAA to BBB- as investment grade.

Non-investment grade assets include assets that fall outside the range of AAA to BBB- Standard and Poor's credit ratings, as well as non-rated assets that are within the risk parameters outlined in the Investment Risk Management Plan.

#### Liquidity risk

Liquidity risk arises from the TAC being unable to meet financial obligations as they fall due. The VFMC manages liquidity risks through holding high-quality liquid assets in its total investment portfolio, which are readily convertible to cash assets. The TAC is normally cash flow positive with premium and investment income exceeding claims and administrative cost payments.

The following table summarises the maturity profile of the TAC's financial liabilities. The table is based on the undiscounted cash flows of financial liabilities and on the earliest date on which the TAC can be required to pay.

2024	Less than 3 months \$000	3 <b>–12</b> months \$000	1–5 years \$000	5 + years \$000	Total \$000
Payables	111,172	-	-	-	111,172
Lease liabilities	2,069	6,205	37,784	53,636	99,694
Derivative liabilities	35,573	8,851	2,257	-	46,681
Total	148,814	15,056	40,041	53,636	257,547

2023					
Payables	81,467	-	-	-	81,467
Lease liabilities	1,882	5,646	29,838	68,651	106,017
Derivative liabilities	45,590	226,637	33,709	4	305,940
Total	128,939	232,283	63,547	68,655	493,424

 $Creditors \ and \ accruals \ are \ normally \ settled \ within \ 30 \ days \ and \ are \ carried \ at \ nominal \ value, \ which \ approximates \ fair \ value.$ 

The table above includes only the liquidity analysis in relation to contractual (as opposed to statutory) financial liabilities. While the liability for outstanding claims is the most significant liability for which payments will need to be made in the future, these do not meet the definition of a financial liability.

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#### 7.2 Offsetting financial assets and financial liabilities

The following table identifies financial assets and liabilities that have been offset in the balance sheet in accordance with AASB 132 Financial Instruments: Presentation, and those that have not been offset in the balance sheet but are subject to enforceable master netting agreements (or similar arrangements) with trading counterparties.

Financial assets and financial liabilities subject to offsetting arrangements:

		Related amount not set off in Balance Sheet		
2024	Gross and net amount included in Balance Sheet \$000	Related amount subject to master netting agreements \$000	Collateralised obligation \$000	Net Amount \$000
Derivative assets	118,276	(28,045)	(1,973)	88,258
Derivative liabilities	(46,681)	28,045	-	(18,636)
Total	71,595	-	(1,973)	69,622

Derivative assets	35,883	(23,024)	(8,407)	4,452
Derivative liabilities  Total	(305,940)	23,024	(8,407)	(282,916) (278,464)

#### 7.3 Fair value – financial assets and financial liabilities

The TAC determines the policies and procedures for fair value measurements in accordance with the requirements of AASB 13 Fair Value Measurement and the relevant Financial Reporting Directions.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For the purpose of fair value disclosures, the TAC has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability, and the level of the fair value hierarchy as explained above. In addition, the TAC determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

The TAC holds financial instruments that are recorded in the financial statements, with carrying amounts approximate to fair value due to their short-term nature. These financial instruments are measured at amortised cost and include:

- · Other receivables
- · Lease liabilities
- · Payables.

The following tables illustrate the level in the fair value hierarchy in which fair value measurements are categorised for financial assets and financial liabilities.

	Fair value measurement at end of the reporting period using:			
30 June 2024	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total \$000
Financial Assets				
Cash and cash equivalents	85,028	-	-	85,028
Investment Assets				
Cash investments	458,290	-	-	458,290
Cash collateral and margin accounts	5,503	-	-	5,503
Receivables	1,233,385	-	-	1,233,385
Derivative assets	2,606	115,670	-	118,276
Equity and managed investment schemes				
Australian bonds	-	551,104	-	551,104
Australian equities	-	2,196,200	-	2,196,200
Cash	-	6,423	-	6,423
Emerging market debt	-	437,840	-	437,840
Hedge funds	-	86,731	887,506	974,237
Inflation linked bonds	-	915,807	-	915,807
Infrastructure	-	255,622	1,760,467	2,016,089
Insurance	-	-	180,900	180,900
International equities	-	5,366,814	-	5,366,814
Opportunistic	-	-	112	112
Private credit	-	88,456	1,656,200	1,744,656
Private equity	-	-	15,905	15,905
Property	-	-	1,793,152	1,793,152
US bonds	-	363,552	-	363,552
Debt securities	-	-	-	-
	1,784,812	10,384,219	6,294,242	18,463,273
Financial liabilities				
Investment related liabilities				
Cash collateral and margin accounts	2,051	-	-	2,051
Payables	-	-	-	-
Derivative liabilities	1,588	45,093	-	46,681
	3,639	45,093	-	48,732
Net financial assets	1,781,173	10,339,126	6,294,242	18,414,541

	Fair value mea	surement at end o	f the reporting pe	riod using:
30 June 2023	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total \$000
Financial Assets				
Cash and cash equivalents	83,236	-	-	83,236
Investment Assets				
Cash investments	1,361,793	-	-	1,361,793
Cash collateral and margin accounts	30,913	-	-	30,913
Receivables	1,152,163	-	-	1,152,163
Derivative assets	782	35,101	-	35,883
Equity and managed investment schemes				
Australian bonds	-	535,493	-	535,493
Australian equities	-	2,104,112	-	2,104,112
Emerging market debt	-	495,145	-	495,145
Hedge funds	-	79,068	793,039	872,107
Inflation linked bonds	-	926,355	-	926,355
Infrastructure	-	-	1,747,341	1,747,341
Insurance	-	-	154,868	154,868
International equities	-	5,348,728	-	5,348,728
Opportunistic	-	-	40,922	40,922
Private credit	-	57,656	1,522,472	1,580,128
Private equity	-	-	17,483	17,483
Property	-	-	1,870,208	1,870,208
US bonds	-	374,239	-	374,239
Debt securities	-	-	-	-
	2,628,887	9,955,897	6,146,333	18,731,117
Financial liabilities				
Investment related liabilities				
Cash collateral and margin accounts	9,051	-	-	9,051
Payables	-	-	-	-
Derivative liabilities	114	305,826	-	305,940
	9,165	305,826	-	314,991
Net financial assets	2,619,722	9,650,071	6,146,333	18,416,126

#### **Transfers between categories**

No transfers occurred from Level 2 to Level 3 during the year ended 30 June 2024 (2023: \$31.1 million).

#### Reconciliation of Level 3 fair value measurements of financial assets

	Total Level 3 \$000
Balance at beginning of the year	6,146,333
Gain / (loss) recognised in the comprehensive operating statement	(71,487)
Sales	(556,793)
Purchases	776,189
Closing balance	6,294,242
Total gains for the period included in profit or loss for assets held at the end of the period	28,333

The following defines the types of investments within each financial asset and financial liability category.

#### Cash and cash equivalents (including discount securities)

Cash and cash equivalents consist primarily of deposits with banks and highly liquid financial assets with maturity dates less than three months, together with units held in cash funds/trusts. Cash equivalents are assets that are subject to an insignificant risk in the change in fair value and are used to manage short-term commitments. Amounts classified as cash and cash equivalents are recorded at face value, except for discount securities which are recorded at market value. The TAC categorises these instruments as Level 1.

#### Cash collateral and margin accounts

Cash collateral refers to amounts held as security against future counterparty performance. These assets are recorded at face value and categorised as Level 1. Margin accounts represent cash held with a broker or central counterparties against open futures contracts and/or other derivatives.

#### Receivables/payables

Miscellaneous receivables/payables include interest income, GST obligations, investment expenses etc. and are carried at the full value of the entitlement. Amounts due to/from brokers represent outstanding settlement amounts arising from the purchase/sale of securities and are carried at the settlement amount pending. This is deemed fair value given the short-term nature of these balances and the items are categorised as Level 1.

#### **Derivative assets and liabilities**

Derivatives are originally recognised at fair value at the date a derivative contract is entered into, and are subsequently re-measured to their fair value at each reporting date with any gain or loss recognised in the comprehensive operating statement. Fair value is derived from the prices published by recognised exchanges or, for over-the-counter instruments, generally accepted valuation techniques. The TAC classifies these instruments as either Level 1 or Level 2.

#### **Equity and managed investment schemes**

Holdings in unlisted funds/trusts are recorded at fair value as determined by the fund manager or valuations by other skilled independent third parties. The TAC reviews the level of valuation uncertainty typically associated with the assets managed by the fund/trust, whether there are redemption restrictions, the pricing frequency and whether there is an active market. Depending on the outcome of these reviews, the assets may be classified as either Level 2 or Level 3.

#### Fair value determination

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

#### **Key assumptions and inputs to estimation uncertainty**

The disclosures below provide details of the inputs and assumptions used in the current valuation models.

A majority of the investments with estimation uncertainty are held via third-party pooled investment vehicles, and as such the TAC is not privy to the detailed assumptions or valuation techniques used to value the underlying investment assets. The TAC is reliant on third parties for these valuations and the quantitative information regarding significant unobservable inputs used in the fair value measurement cannot be assessed.

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An example of the key inputs and assumptions typically considered is shown below.

Investment asset	Valuation technique	Key inputs and assumptions
Infrastructure Investments	Discounted cash flows	<ul> <li>Risk free discount rates</li> <li>Risk premium</li> <li>Asset utilisation rates</li> <li>Capital expenditure and operating cost forecasts</li> <li>Other estimated future cash flows dependent on the longer term general economic forecasts</li> <li>Forecast performance of applicable underlying assets</li> </ul>
Private Equity Investments  Property Investments	Multiples of earnings, discounted cash flow, market equivalents and other market accepted methodologies  Discounted cash flow, capitalisation and direct comparison methodologies	<ul> <li>Identification of appropriate comparables</li> <li>Estimated future profits</li> <li>Risk-free rate, risk premium</li> <li>Estimated future cash flows</li> <li>Future economic and regulatory conditions</li> </ul>
Fixed Income Investments and Hedge Fund, Private Credit and Insurance Investments	Fixed income investments – third-party pricing servicers, which source prices from brokers and market makers Liquid securities quoted on an exchange or traded in a dealer market Less liquid securities - discounted cash flow, amortised cost, direct comparison and others	<ul> <li>Appropriate credit spread and other risk premium</li> <li>Future risk-free rate</li> <li>Estimated future cash flows</li> <li>Identification of appropriate comparable assets</li> <li>Future economic and regulatory conditions</li> <li>Life expectancy estimates and mortality probabilities</li> </ul>

# 8. Other disclosures

#### Introduction to this section

This section includes additional material disclosures required by accounting standards, or otherwise, for the understanding of this financial report.

#### Structure

- 8.1 Responsible person
- 8.2 Remuneration of executive officers
- 8.3 Related parties
- 8.4 Motorcycle road safety reserve
- 8.5 Commitments and contingencies
- 8.6 Controlled entity
- 8.7 Events after reporting date
- 8.8 Application of standards not yet effective

#### **8.1** Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act* 1994, the following disclosures are made regarding responsible persons for the reporting period.

#### Names

The responsible persons who held office during the financial year are as follows:

#### **Responsible Ministers**

Honourable Danny Pearson MP

- Assistant Treasurer
- · Minister for WorkSafe and the TAC
- Minister for Transport Infrastructure (since October 2023)
- Minister for the Suburban Rail Loop (since October 2023)

Honourable Melissa Horne MP

- Minister for Casino, Gaming and Liquor Regulation
- Minister for Local Government
- Minister for Ports and Freight
- Minister for Roads and Road Safety

#### **Directors**

Mr Greg Wilson (Chair)

Ms Jane Brockington (end of term 30 October 2023)

Mr Robert Cameron

Mr James Flintoft

Mr David Heath

Ms Catherine Jones

Ms Sharon McCrohan

Mr John Merritt

Dr Samantha Smith

#### **Chief Executive Officer**

Mr Tony Dudley (ended 2 July 2023)

Ms Tracey Slatter (appointed 3 July 2023)

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#### Remuneration

	2024 \$000	2023 \$000
Total remuneration received or receivable by responsible persons <sup>1</sup>	1,135	1,167

<sup>&</sup>lt;sup>1</sup> The compensation detailed above excludes the salaries and benefits of the Portfolio Ministers. The Minister's remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act* 1968 and are reported within the Annual Financial Report of the State.

The number of responsible persons of the TAC whose remuneration falls within the following bands was:

Income band	2024	2023
\$0-\$9,999	1	-
\$20,000-\$29,999	1	-
\$40,000-\$49,999	-	3
\$50,000-\$59,999	-	3
\$60,000-\$69,999	7	3
\$130,000-\$139,999	-	1
\$140,000-\$149,999	1	-
\$520,000-\$529,999	-	1
\$530,000-\$539,999	1	-

#### 8.2 Remuneration of executive officers

#### **Remuneration of executives**

The number of executive officers, excluding the Chief Executive Officer, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provide a measure of full-time equivalent executive officers over the reporting period.

The number of executive officers may vary from year to year due to the timing of appointments, resignations, and the composition of the executive officers.

The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 Related Party Disclosures and are also reported within the related parties note disclosure (note 8.3).

Remuneration comprises employee benefits (as defined in AASB 119 Employee Benefits) in all forms of consideration paid, payable or provided by the TAC, or on behalf of the TAC, in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis, and is disclosed in the following categories:

- Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave, which are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.
- Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.
- Other long-term benefits include long service leave, other long service benefits or deferred compensation.
- · Termination benefits include termination of employment payments, such as severance packages.

The remuneration of executives is as follows:

	2024 \$000	2023 \$000
Short-term employee benefits	2,720	3,036
Post-employment benefits	250	263
Other long-term employee benefits	67	75
Termination benefits	181	561
Total remuneration	3,218	3,935
Total number of executives	18.8	14.4
Total annualised employee equivalent <sup>1</sup>	8.3	9.6

 $<sup>^{\</sup>rm 1}$  Annualised employee equivalent is based on the time fraction worked over the reporting period.

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#### 8.3 Related parties

The TAC is a wholly owned and controlled entity of the State of Victoria.

Key management personnel of the TAC are those listed as responsible persons and members of the executive leadership team.

Related parties of the TAC include:

- all key management personnel and their close family members
- · all cabinet ministers and their close family members and
- · all departments and public sector entities that are controlled and consolidated into the whole-of-state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

The remuneration of key management personnel is as follows:

	2024 \$000	2023 \$000
Short-term employee benefits	3,756	4,106
Post-employment benefits	337	347
Other long-term employee benefits	79	88
Termination benefits	181	561
Total remuneration	4,353	5,102

Several factors affected total remuneration payable to key management personnel over the year, including the commencement, renegotiation and completion of a number of employment contracts.

#### Significant transactions with government-related entities

Ms Jane Brockington and Mr Robert Cameron were Directors of the Victorian WorkCover Authority (WorkSafe) during the financial year. Additionally, Mr Andrew Holt was a member of the Executive Leadership Team of both the TAC and WorkSafe during the year. WorkSafe is entitled to recover from the TAC, under the Accident Compensation Act 1985, all compensation payable under the WorkCover scheme for injury in a transport accident during the course of work. The TAC also makes payments for the annual Workplace Injury Insurance premium to WorkSafe.

The TAC and WorkSafe reimbursed each other for the cost of external services acquired jointly, and internal services provided to each other, in relation to collaborative initiatives between the TAC and WorkSafe. In addition, the TAC received payments from WorkSafe for the management of WorkSafe claims of injured workers with catastrophic injuries.

The aggregate amounts in respect of the above transactions with the responsible person-related entity WorkSafe were:

	2024 \$000	2023 \$000
Claim compensation paid and payable	(55,200)	(158,400)
Cost reimbursement received and receivable	4,027	5,597
Cost reimbursement paid and payable	(14,170)	(7,252)
Management of catastrophic claims	2,798	2,684

Mr Greg Wilson was the Chair of the Victoria State Emergency Service and the Chair of the Country Fire Authority during the financial year, and resigned from both positions in May 2024. The TAC makes quarterly payments every year to the Victoria State Emergency Service and the Country Fire Authority for Road Accident Rescue services provided to the Victorian community, in line with requirements under the *Transport Accident Act* 1986. The total amount paid to the Victoria State Emergency Service (excluding GST) to 3 May 2024 amounted to \$4.0 million (2022–23: \$6.2 million). The total amount paid to the Country Fire Authority (excluding GST) to 3 May 2024 amounted to \$1.7 million (2022–23: \$4.4 million).

Conflicts of interest are overcome, where warranted, by Directors declaring their interests and abstaining from voting at the TAC's Board meetings.

#### Significant transactions with key management personnel and other related parties

Transactions between key management personnel and other related parties have been considered, and there are no matters to report.

#### Other transactions

Other related transactions requiring disclosure under the Directions of the Assistant Treasurer have been considered and there are no matters to report.

#### 8.4 Motorcycle road safety reserve

The TAC premiums for certain motorcycle classes include an additional levy collected annually to fund special projects to improve motorcycle road safety in Victoria. These monies are set aside in the Motorcycle Road Safety Reserve specifically set up for this program. The program expenditure is developed by the TAC and the Department of Transport and Planning, in consultation with the Motorcycling Community Engagement Panel. Projects under the reserve are administered by the Department of Transport and Planning, which seeks reimbursement for expenditure from the TAC.

#### 8.5 Commitments and contingencies

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed if quantifiable and are measured at nominal value inclusive of GST. There are no material contingencies for the year ended 30 June 2024 (2023: nil).

Commitments include operating expenditure commitments arising from non-cancellable contractual sources and are disclosed at their nominal value inclusive of GST.

Administrative Expenditure	2024 \$000	2023 \$000
Administrative expenditure contracted at balance date, but not provided for:		
- not later than one year	166,745	146,277
- later than one year but not later than five years	196,016	235,271
- later than five years	82,741	78,654
	445,502	460,202

Included in the administrative expenditure is a total amount of \$259 million (nominal) of commitments by the TAC to provide funding for major road safety infrastructure programs (SSRIP) in Victoria (2023: \$326 million (nominal)).

#### 8.6 Controlled entity

Residential Independence Pty Ltd (RIPL), as trustee for the Residential Independence Trust (RIT), is a controlled entity of the TAC which is wholly owned by the TAC. The RIT was established on 1 February 2011. The RIPL was incorporated in Victoria, Australia, on 21 December 2010 and its principal activity is to manage an existing portfolio of residential property suitable for seriously injured clients of the TAC.

The result of RIT is not consolidated in the financial statements as the impact of consolidation is not considered as material. The valuation included in the financial statements is the cost of the units held as at 30 June 2024 by the TAC, which are 42,600,000 ordinary units issued at \$1 each fully paid (2023: 42,600,000 ordinary units issued).

At 30 June 2024, the total assets of the RIT, for which RIPL acts in the capacity of the trustee, are \$44.456 million (2023: \$45.837 million) and total liabilities are \$0.177 million (2023: \$0.095 million)

The total result of the RIT, for which RIPL acts in the capacity of the trustee, for the financial year ended 30 June 2024 is a total comprehensive loss for the year of \$1.464 million (2023: loss of \$0.603 million), which comprises of income of \$1.383 million (2023: \$1.210 million), other comprehensive losses of \$0.927 million (2023: nil) and total expenses of \$1.920 million (2023: \$1.812 million).

#### 8.7 Events after reporting date

There has not been any matter or circumstance occurring subsequent to balance sheet date that has significantly affected, or may significantly affect, the operations of the TAC, the results of those operations or the state of affairs of the TAC.

#### 8.8 Application of standards not yet effective

The AASB has issued the following new, or amendments to, Australian Accounting Standards that are applicable to the TAC. These amendments are not effective for the annual reporting period ended 30 June 2024 and have not been applied in preparing the TAC's financial report.

The nature of the application of these standards could impact the classification and measurement of balances in the financial report. The extent of any impact of AASB 17 Insurance Contracts has not yet been determined for the TAC.

	Title	Operative Date
AASB 17	Insurance Contracts	1 July 2026
AASB 18	Presentation and Disclosure in Financial Statements	1 January 2027

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# **Corporate governance**

This statement covers the main corporate governance practices that ensure the TAC is managed to achieve its vision, meets its commitments to stakeholders and operates commercially.

#### Chair

#### **Greg Wilson**

Appointed March 2019 Reappointed November 2020 Reappointed October 2023 (for 12 months)

#### **Board of management**

#### Jane Brockington

Appointed October 2017 Reappointed November 2020 End of Term October 2023

#### **Robert Cameron**

Appointed October 2022

#### **James Flintoft**

Appointed July 2019 Reappointed July 2022

#### **David Heath**

Appointed February 2017 Reappointed February 2020 Reappointed February 2023 (for 12 months) Reappointed February 2024 (for 12 months)

#### **Catherine Jones**

Appointed September 2022

#### **Sharon McCrohan**

Appointed December 2019 Reappointed December 2022 (for six months) Reappointed June 2023

#### John Merritt

Appointed October 2018 Reappointed October 2021

#### Dr Samantha Smith

Appointed February 2017 Reappointed February 2020 Reappointed February 2023 (for 12 months) Re-appointed February 2024 (for 12 months) The Chair and the Board are nominated by the Minister for WorkSafe and the TAC and the Minister for Roads and Road Safety and appointed by the Governor in Council.

There are presently eight non-executive directors, including the Chair.

The Board has established clearly defined accountabilities and delegations for the Chief Executive Officer.

Policies and procedures cover all aspects of the TAC's activities and are reviewed regularly to ensure that the TAC achieves its objectives regarding:

- Compliance with applicable laws and regulations
- · Reliability of financial reporting
- · Safeguarding of assets
- Effectiveness and efficiency of operations.

# Directors' access to independent professional advice

Directors are entitled to seek independent professional advice in connection with their duties at the TAC's expense, unless determined otherwise by the Board.

#### **Conflict of interest**

If a director has a direct or indirect interest in a matter being considered by the Board and the interest could conflict with the proper performance of the director's duties in relation to the consideration of the matter, the director, as soon as practicable after the relevant facts come to the director's knowledge, must disclose the nature of the interest at a meeting of the Board.

If the Board considers the conflict to be material, the director will leave the meeting for the duration of the relevant agenda item and consequently will not participate in the discussion or resolution of the matter.

The director's absence from the meeting for the relevant agenda item is recorded in the Minutes of the meeting.

#### **Board Committees**

#### **Risk Committee**

Members at 30 June 2024: Catherine Jones (Chair from November 2023), David Heath, Sharon McCrohan and Dr Samantha Smith, all of whom are independent persons for the purpose of the Standing Directions of the Assistant Treasurer under the *Financial Management Act* 1994 (Vic).

The purpose of the Risk Committee is to assist the Board to fulfil its oversight responsibilities relating to:

- the implementation, operation and adequacy of the risk management and internal control framework that the TAC uses to identify and manage key business, financial, fraud and regulatory risks
- the TAC's compliance with relevant laws, regulations, standards and codes including the Victorian Government Risk Management Framework.

#### **Audit Committee**

Members at 30 June 2024: David Heath (Chair), Robert Cameron, Catherine Jones (from March 2024) and James Flintoft, all of whom are independent persons for the purpose of the Standing Directions of the Assistant Treasurer under the Financial Management Act 1994 (Vic).

The purpose of the Audit Committee is to assist the Board to fulfil its oversight responsibilities relating to:

- the integrity, effectiveness and quality of the TAC's financial reporting and disclosures
- the effectiveness of the TAC's risk management framework
- the independence, work plan and effectiveness of the TAC's External Auditor
- the External Auditor's annual audit of the TAC's financial statements
- the qualifications, engagement, fees, scope of work and effectiveness of the TAC's Internal Audit function
- the TAC's compliance with relevant laws, regulations, standards and codes including the 'Prudential Insurance Standard for Victorian Government Insurance Agencies', the 'Prudential Standard: VFMC and the Centralised Investment Model', the *Financial Management Act* 1994 (Vic) and the Standing Directions of the Assistant Treasurer under the *Financial Management Act* 1994 (Vic).

#### **People, Culture and Remuneration Committee**

Members at 30 June 2024: Dr Samantha Smith (Chair), Sharon McCrohan and John Merritt, all of whom are independent persons for the purpose of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994* (Vic).

The People, Culture and Remuneration Committee's primary roles and responsibilities cover the following areas: People and Culture, Workforce Strategy, Diversity and Inclusion, Health, Safety and Wellbeing, Remuneration Policy, Annual Remuneration Review, Compliance, People Risks, Disclosure and Succession Planning.

#### **Prudential Standards**

The Board is required to submit annual confirmations or attestations of compliance with the 'Prudential Insurance Standard for Victorian Government Insurance Agencies' and the 'Prudential Standard: Victorian Funds Management Corporation and the Centralised Investment Model'.

These standards impose obligations regarding governance, strategic planning, liability reserving, capital management, pricing, reinsurance, actuarial review, breach reporting, risk management, outsourcing, fit and proper requirements and the setting of appropriate investment objectives for TAC funds.

Certifications or attestations have been issued by the Board for the year ending 30 June 2024.

#### **Risk management**

The TAC has in place a risk management framework to ensure effective identification, assessment and management of risks. That framework details the roles of the Board and its Committees, management and the internal auditor. The Board is responsible for setting the risk appetite for the organisation to guide management in their decision making.

The Risk Committee oversees the framework and is responsible for ensuring the effectiveness of the design and implementation of control strategies and operational practices.

#### Compliance with the Victorian Government Risk Management Framework

Standing Direction 3.7.1 of the *Financial Management Act* 1994 (Vic) requires public sector agencies to provide an annual attestation of compliance with the risk management process requirements set out in the Victorian Government Risk Management Framework.

The TAC Risk Committee has considered the Statement by the Chief Executive Officer on compliance with the Victorian Government Risk Management Framework, the Executive Leadership Team internal attestation process and independent assessments from Internal Audit.

On this basis, I certify that the TAC has complied with the Ministerial Standing Direction 3.7.1 – Risk Management Framework and Processes. The TAC Risk Committee has verified this.

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# **Compliance**

This section includes the disclosures required by the *Financial Management Act* 1994 and the *Transport Accident Act* 1986 (the Act).

#### **Incorporation and Ministerial responsibility**

The TAC is a body corporate established under section 10 of the Act (No. 111 of 1986, version No. 156 incorporating amendments as at 1 July 2024). The Act sets out the objectives, functions and powers of the TAC.

Under the General Order effective 2 October 2023, Supplement to the General Order effective 1 December 2023 and General Order effective 2 April 2024:

The Minister for WorkSafe and the TAC is responsible for the *Transport Accident Act* 1986, except:

- Sections 11–14 in so far as they relate to the Transport
   Accident Commission's budget, financial reporting and
   management of the Transport Accident Fund (in so far
   as they relate to those matters, these sections are jointly
   administered with the Minister for Roads and Road Safety).
- Sections 29, 29A and 29B (these sections are jointly administered with the Minister for Roads and Road Safety)

(The Act is otherwise administered jointly and severally with the Minister for Roads and Road Safety)

The Minister for Roads and Road Safety is responsible for the *Transport Accident Act* 1986, except:

- Sections 11–14 in so far as they relate to the Transport Accident Commission's budget financial reporting and management of the Transport Accident Fund (in so far as they relate to those matters, these sections are jointly administered with the Minister for WorkSafe and the TAC)
- Sections 29, 29A and 29B (these sections are jointly administered with the Minister for WorkSafe and the TAC).

(The Act is otherwise administered jointly and severally with the Minister for WorkSafe and the TAC).

#### **Ministerial directions**

There were no ministerial directions given in the period 1 July 2023 to 30 June 2024.

# The TAC's objectives, functions, powers and accountability

Sections 11, 12, 13 and 14 of the Act set out the objectives, functions, powers and accountability of the TAC.

#### **Changes to reporting arrangements**

Reporting arrangements for the TAC did not change during the 2023–24 financial year.

#### **Objectives of the Commission (Section 11)**

- To manage the transport accident compensation scheme as effectively, efficiently and economically as possible
- To ensure that appropriate compensation is delivered in the most socially and economically appropriate manner and as expeditiously as possible
- To ensure that the transport accident scheme emphasises accident prevention and effective rehabilitation
- To develop such internal management structures and procedures that will enable it to perform its functions and exercise its powers effectively, efficiently and economically
- To manage claims under the Accident Compensation Act 1985 or the Workplace Injury Rehabilitation and Compensation Act 2013 as an authorised agent of the Victorian WorkCover Authority as effectively, efficiently and economically as possible
- If appointed as an agent of a self-insurer under section 392 of the Workplace Injury Rehabilitation and Compensation Act 2013, to carry out the functions and powers of a self-insurer as effectively, efficiently and economically as possible.

#### **Functions of the Commission (Section 12)**

- · To administer the Transport Accident Fund
- To receive and assess, and accept or reject, claims for compensation
- $\bullet\,$  To defend proceedings relating to claims for compensation
- To pay compensation to persons entitled to compensation
- · To determine transport accident charges
- To collect and recover transport accident charges
- To provide advice in relation to the transport accident scheme
- To provide funds for the program referred to in subsection

   (3) (designed to secure the early and effective medical and vocational rehabilitation of persons injured as a result of transport accidents) and for other rehabilitation programs for persons injured in transport accidents
- To collect and assess data and statistics in relation to transport accidents
- To provide advice to the Minister in relation to matters specifically referred to the Commission by the Minister and generally in relation to the administration of this Act and the compensation scheme under this Act
- To commercially exploit knowledge and expertise in compensation schemes and scheme administration
- To act as an authorised agent under section 501 of the Workplace Injury Rehabilitation and Compensation Act 2013
- If appointed, to act as an agent of a self-insurer under section 392(2) of the Workplace Injury Rehabilitation and Compensation Act 2013
- To carry out such other functions conferred on the Commission by this or any other Act
- To promote the prevention of transport accidents and safety in the use of transport
- To design and promote, so far as possible, a program designed to secure the early and effective medical and vocational rehabilitation of people injured as a result of transport accidents to whom, or on behalf of whom, the Commission is or may become liable to make any payment under the Act.

#### **Powers of the Commission (Section 13)**

- To do all things that are necessary or convenient to be done for, or in connection with, the performance of its functions and to enable it to achieve its objectives
- To enter into agreements or arrangements and settle or compromise differences or disputes with other persons
- To apply for, obtain and hold intellectual property rights (including patents, copyrights, trademarks and registered designs)
- To enter into agreements or arrangements for the commercial exploitation within or outside Victoria of intellectual property rights and ancillary services on any terms or conditions as to royalties, lump sum payments or otherwise as the Commission may see fit
- To enter into agreements or arrangements within or outside Victoria for the provision by the Commission of administration, management or information systems or services
- To do all things necessary or convenient to be done in connection with acting as an authorised agent of the Victorian WorkCover Authority under section 501 of the Workplace Injury Rehabilitation and Compensation Act 2013 and as an agent of a self-insurer under section 392(2) of that Act.

#### **Accountability of the Commission (Section 14)**

The Commission must perform its functions and exercise its powers subject to the general direction and control of the Minister and in accordance with any specific written directions given by the Minister in relation to a matter or class of matters specified in the directions.

If the Commission is given a written direction, the Commission may cause the direction to be published in the Government Gazette and must publish the direction in its next annual report.

#### Legislation

The following legislative changes have occurred in the period from 1 July 2023 to 30 June 2024. On 21 November 2023, the *Transport Legislation Amendment Act 2023* (No. 34 of 2023) (the Amendment Act) commenced.

The Amendment Act has made the following changes on commencement to the *Transport Accident Act* 1986 (the Act) to ensure that an apprentice who has not paid their transport accident charge, as part of the free registration commitment made by the Victorian Government, do not face the same consequences as the owner or driver of an unregistered motor vehicle.

- Amending section 40(1)(b) to ensure that an apprentice is not disentitled from receiving Loss of Earnings benefits if the 'applicable' transport accident charge for their vehicle was nil
- Amending 41A(2) and 41B(2) so that a vehicle that has a nil transport accident charge is not excluded from TAC coverage in the same way that an unregistered vehicle that has an accident on private land is excluded.
- Amending Section 109(3) so the registration of a motor vehicle can be made, renewed or a permit issued when the owner has paid the transport accident charge 'applicable to that vehicle' (which is nil in the case of an apprentice).

#### **Subordinate legislation**

#### Regulations

There were no Regulations prescribed in the period 1 July 2023 to 30 June 2024.

#### **Orders in Council**

There was one Order in Council in the reporting period from 1 July 2023 to 30 June 2024.

The Transport Accident Charges Order (No. 1) 2024 was published in the Government Gazette on 23 April 2024 (No. S193 Tuesday on 23 April 2024).

The objective of this Order was to prescribe the transport accident charges applicable to all classes of motor vehicles that are to apply from 1 July 2024 for the 2024–25 financial year. The effect of the Order was to apply Indexation of the transport accident charges for the year commencing 1 July 2024 by the Consumer Price Index (CPI) at the rate of 3.8%.

#### **Ministerial Orders**

There were no Ministerial Orders in the period from 1 July 2023 to 30 June 2024.

#### The Public Interest Disclosures Act 2012

The TAC encourages the reporting of known or suspected incidences of improper conduct and corruption by the TAC or its officers, employees or agents. As the TAC is not able to receive protected disclosures, employees can make disclosures directly to the Independent Broad based Anti-Corruption Commission (IBAC). Disclosures to IBAC are protected. Members of the public who are clients of the TAC, or users of the services provided by the TAC, can also make disclosures to IBAC.

Disclosures can also be made to the TAC's Public Interest Disclosure Co-ordinator or to the Senior Manager, Governance and Integrity, who is also the Internal Fraud and Corruption Response Committee Secretary. Such disclosures are not automatically protected. The TAC has procedures in place to support and protect disclosers and to prevent detrimental actions being taken against them by officers, employees or agents of the TAC.

The TAC's Chief Executive Officer has a mandatory obligation to report matters of suspected corrupt conduct to IBAC.

#### **Consultancy expenditure**

Consultancies (>\$10,000)	Description of work	Total approved project fee \$000	2023-24 expenditure \$000	2022-23 expenditure \$000	Future expenditure \$000
ASTA	ICT Portfolio Audit and Benchmarking Report	224	44	134	-
Bevington Group	Claims Process Review	129	129	-	-
Bevington Group	Organisational Structure Review	250	180	-	-
Bevington Group	TAC Resolutions Review	246	39	-	207
Bevington Group	Partnerships Process Review	149	149	-	-
Deloitte	Digital Technology Roadmap	505	505	-	-
Deloitte Touche Tohmatsu	End to End Consultancy Review	258	52	-	206
Deloitte Touche Tohmatsu	IME Model Review	200	200	-	-
Deloitte Touche Tohmatsu	TAC's 6 Year Roadmap	507	238	-	269
Ernst & Young	Psychosocial Risk Management Gap Assessment	69	28	41	-
Ernst & Young	Annual Maturity Assessment of HSW Culture & Systems	64	63	-	-
KPMG	Attendant Care Strategy Development	220	144	76	-
Scyne Advisory	Third Party Risk Management Services	163	15	-	148
Strandroth Consulting	Long Term Road Safety Investment Strategy	320	178	142	-
Strandroth Consulting	Expert Trauma Modelling and Analysis	250	103	-	147
	<b>*</b>				

During 2023–24, there were 15 consultants engaged where the cost of each individual engagement was in excess of \$10,000. There were no other consultants engaged during the year where the total cost was less than \$10,000 per individual engagement. Total approved project fees and expenditure for 2023–24 exclude GST.

#### **Information and Communication Technology (ICT) expenditure**

For the 2023-24 reporting period, the TAC had a total ICT expenditure of:

BAU ICT Expenditure	Non-BAU ICT Expenditure	Operational expenditure	Capital expenditure
Total (\$ million)	Total = A + B	A	B
39.5	6.4	2.4	

ICT expenditure refers to the TAC's costs in providing business-enabling ICT services. It comprises of Business As Usual (BAU) ICT expenditure and Non-Business As Usual (Non-BAU) ICT expenditure. Non-BAU ICT expenditure relates to extending or enhancing the TAC's current ICT capabilities. BAU ICT expenditure is all remaining ICT expenditure (including depreciation and amortisation), which primarily relates to ongoing activities to operate and maintain the current ICT capability.

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#### **Reviews and studies expenditure**

The TAC expended \$5,044,381 (excluding GST) on 68 reviews and studies in 2023–24. These reviews and studies covered a range of road safety, health, disability and compensation topics.

For further information, visit tac.vic.gov.au/about-the-tac/media-room/annual-reports

#### **Building Act 1993**

The TAC's policy with respect to new building works, and alterations to existing buildings, is to comply with the *Building Act* 1993 as though the TAC were not exempt from compliance as a public authority (this is provided for in section 217 (3) of the *Building Act* 1993).

Some premises occupied by the TAC may have been constructed or altered under exemptions for public bodies which applied at the time.

The TAC is unaware of any material non-compliance with the current building standards for buildings of their nature and age.

#### **Disability action plan**

The TAC's disability action plan (DAP) is a guide that outlines how we interact not only with clients and providers, but also with our employees and the wider Victorian community, to become a more inclusive and accessible organisation. The plan is compliant with the *Disability Act 2006*.

As the plan has been in place since 2016, we are now moving into a new phase of planning to help us better understand how we can improve access and inclusion for people with disability.

Our submission to the Australian Disability Network Access and Inclusion Index in 2022–23 has guided our actions in the past year to continue to advance disability inclusion. It will also help guide the development of our new Access and Inclusion Plan, which will be released in early 2025.

We are committed to removing access barriers and creating an accessible and inclusive workplace where people with disability can achieve their career aspirations.

#### **Carers Recognition Act 2012**

The TAC has taken all practical measures to comply with its obligations under the *Carers Recognition Act 2012*. These include considering the carer relationships principles set out in the Act when setting policies that affect employees in care relationships. The TAC's employment policies include the provision of carers' leave, flexible working hours, purchased leave and the ability to work from home, which comply with the statement of principles in the Act.

#### **Freedom of information**

The Transport Accident Commission (TAC) is subject to the Freedom of Information Act 1982 and not subject to direct access provisions in the Privacy & Data Protection Act 2014 or the Health Records Act 2001.

The TAC stores most information electronically with a high volume of documents being created, stored and updated on a claims management system. Business and financial information is also mainly stored electronically. A small amount of aged information can still be found in paper format or on microfiche.

In 2023–24, the TAC received 1,667 Freedom of Information (FOI) requests in total. This is a decrease from 2022–23, in which TAC processed a total of 1,713 requests.

Of the 1,763 FOI decisions made in 2023–24 (some carried over from the previous financial year), 1,599 were made within the requirements of section 21 of the FOI Act (30 days). The remaining 164 decisions were made outside the 30-day timeframe. This is a 90% compliance rate with the statutory deadline.

There have not been any requests for amendments to personal records.

#### **Privacy**

The TAC is an agency subject to the *Privacy and Data Protection Act 2014* and the *Health Records Act 2001*. These acts are used cohesively to govern privacy protection around personal and health information.

The TAC's Information and Privacy Team have been assessing all business-wide privacy incidents and breaches since May 2016.

In the 2023–24 financial year, the TAC has continued to raise awareness amongst staff regarding the importance of reporting privacy issues, resulting in an increase of reported privacy incidents and enquiries from the business.

The TAC considers a 'privacy incident' to be a release of information in error that has been rectified (e.g. documents were sent to the wrong recipient and securely destroyed or returned), or an upload error (e.g. documents saved to an incorrect claim file) that has been contained. A 'privacy breach' is where a breach has occurred and has not been successfully contained (e.g. documents were sent to the wrong recipient and were not returned to the TAC).

In the 2023–24 financial year, the TAC responded to 16 formal privacy complaints. Formal complaints are written complaints received from the individual directly concerned or via the Office of the Victorian Information Commissioner (OVIC).

#### **Public sector values and employment principles**

The TAC has a number of initiatives in place to ensure the highest possible standard of integrity and conduct throughout the business, as per the values, principles and conduct outlined by the Victorian Public Sector Commission (VPSC).

Our commitment to meeting the public sector values and employment principles set out in the *Public Administration Act 2004* is enacted through our policies, procedures and employee training modules, which reflect these principles.

Our intranet remains a central source of information relating to public sector conduct and the Victorian Public Service employment principles, as well as our employee training modules and advice provided by our People, Culture and Engagement team.

#### **National competition policy**

#### **Review of Legislative Restrictions**

In accordance with its National Competition Policy commitments, the government commissioned a review of Victoria's transport accident compensation legislation in September 2000. The review identified three main restrictions on competition: the compulsory nature of the scheme, the TAC as a legislated monopoly and centralised premium setting.

To address centralised premium setting, the Finance Minister now has discretion to request the Essential Services Commission provide an independent review of the TAC's proposed premium each year.

#### **Competitive Neutrality**

Under Competitive Neutrality policy, the TAC is listed as a significant business enterprise. In accordance with this policy, the TAC pays the full suite of Commonwealth and State taxes or tax equivalents. The TAC is not a net borrower in its own right and therefore is not subject to the Financial Accommodation Levy.

#### **Miscellaneous disclosure**

To the extent applicable, the information required under Financial Reporting Direction 22, issued by the Minister for Finance under Section 8 of the *Financial Management Act* 1994, has been prepared and is available on request.

#### **Advertising and communications disclosure**

Transparency in advertising and communications guidelines introduced in July 2012 make it mandatory for state government organisations to disclose expenditure for campaigns with a total media buy of more than \$100,000.

The TAC works closely with its road safety partners – Department of Transport and Planning, Victoria Police, Department of Justice and Community Safety and Department of Health – as well as other health and disability stakeholders, to develop public education campaigns that engage the broader Victorian community in road safety issues, which leads to improved understanding, behaviours and, ultimately, fewer deaths and serious injuries.

Significant research and planning underpin the development of these campaigns to ensure they are evidence-based and relevant

# Financial management compliance attestation statement

I, Tracey Slatter, on behalf of the Responsible Body, certify that the Transport Accident Commission has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act* 1994 and Instructions.

Tracey Slatter
Chief Executive Officer

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#### **Social procurement**

The TAC Social Procurement Strategy recognises the importance of generating wider social and environmental benefits through our procurement. The strategy has three priority objectives:

- Sustainable Victorian regions job readiness and employment for people in regions with entrenched disadvantage.
- Environmentally sustainable outputs project-specific requirements to use sustainable resources and to manage waste and pollution.
- Sustainable Victorian social enterprise and Aboriginal business sectors purchasing from Victorian social enterprises and Aboriginal businesses.

During 2023–24, the TAC has continued to directly engage social benefit suppliers, with a particular focus on building relationships through its industry partners Kinaway Chamber of Commerce, Supply Nation and Social Traders. The TAC engaged with 9 suppliers for a range of goods and services during 2023–24, with an annual spend of approximately \$1.5 million.

The TAC will continue to find opportunities to deliver social benefit through its procurement and achieve value for money.

#### **Emergency procurement**

The TAC had no Emergency Procurement activations during 2023–24.

#### **Disclosure of procurement complaints**

Under the Governance Policy of the Victorian Government Purchasing Board (VGPB), the TAC must disclose any formal complaints relating to the procurement of goods and services received through its procurement complaints management system.

We received one formal complaint through our procurement complaints management system in 2023–24 relating to the Master Agency Media Services agreement process.

A review found that all procurement policies and processes had been adhered to and the complaint was resolved.

#### **Local Jobs First**

The TAC commenced the following Local Jobs First projects during 2023-24.

Project name	Value (\$ million)	Standard or Strategic	Major Project Skills Guarantee	Region category	Project status*	Local Industry Development Plan (LIDP) Commitments
Digital Mailroom	12.0	Standard	No	Regional	Contract Negotiation	Data not available*
Archival Storage Services	5.3	Standard	No	Regional	Proposed	Data not available*

<sup>\*</sup>Information available as at 30 June 2024

The TAC completed the following Local Jobs First projects during 2023-24.

Project Name	Value	Standard or	Major Project	Region	Local Content	Number of Small to
	(\$ million)	Strategic	Skills Guarantee	Category	Outcomes	Medium Suppliers*
Data Analytics and Reporting	4.3	Standard	No	Statewide	100%	0

<sup>\*</sup>Includes suppliers engaged as either the principal contractor or as part of the supply chain

#### **Disclosure of major contracts**

With the exception of the contracts referred to below, the TAC has disclosed all contracts greater than \$10 million in value entered into during the financial ended 30 June 2024, in accordance with the requirements of government policy and accompanying guidelines. Details of contracts that have been disclosed in the Victorian Government Contracts Publishing System can be viewed at tenders.vic.gov.au

Contractual details have not been disclosed for contracts where disclosure is exempted under the *Freedom of Information Act* 1982 (FOI Act) and/or government guidelines.

Specific contract information has not been disclosed for contracts where such information is withheld under the FOI Act or other laws or government policies.

Contract details with DXC Technologies Australia for IT Infrastructure Support Services and with the Department of Transport for the TAC L2P Driver Mentor Program were not disclosed as at 30 June 2024, but will be posted on the Buying for Victoria website on 1 October 2024.

#### **Environmental reporting**

The TAC is committed to environmental sustainability in its operations.

In 2022–23\*, our total operational greenhouse gas emissions were 666.5 tonnes of carbon dioxide equivalent (tCO2-e), which came from electricity and transport-related emissions.

In line with reporting requirements (FRD 24), following is a breakdown of the TAC's total electricity consumption for 2022–23, as well as fleet vehicles within the organisation's boundary as of 30 June 2023.

Although FRD 24 mandates NABERS Energy ratings for newly completed/occupied entity-owned office buildings and substantial tenancy fit-outs, the TAC did not manage any buildings that fit within these categories during the financial year.

TAC electricity consumption in 2022–23*	(kWh)
Total electricity consumption segmented by source	
Total grid demand	1,002,695
GreenPower	208,540
Total electricity offsets segmented by offset type	0

<sup>\*</sup> Note: Due to the process involved in collecting data, all electricity consumption and greenhouse gas emissions reporting will be one year behind the current financial year.

TAC fleet vehicles 2022–23 (by engine/fuel type)	Road vehicle (#)	Road vehicle (%)
Petrol	45	67
Diesel	16	24
Hybrid	6	9
Total	67	100

<sup>\*</sup> Note: Due to the process involved in collecting data, all electricity consumption and greenhouse gas emissions reporting will be one year behind the current financial year.

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#### **Occupational health and safety**

The TAC is committed to ensuring the safety of our staff and has implemented important Occupational Health and Safety (OH&S) initiatives across the business to enhance safety performance and ensure safe working systems.

#### **Incident management**

Reported incidents per 100 FTE increased from 11.4 in 2022–23 to 16.1 in 2023–24. These incidents include employee injuries, client/stakeholder 'behaviours of concern' as well as workplace hazards and near misses.

This increase was anticipated and is the result of a series of comprehensive campaigns aimed at educating employees to better understand what constitutes an incident and to actively report.

The following details our performance against key OH&S performance measures.

Total employee numbers: 1,148.67 FTE

Incident breakdown	2022-23	2023-24
Total incidents	1,140.00	1,520.00
Incidents per 100 FTE	11.40	15.10
Total hazards and near miss	97.00	155.00
Hazards and 'near miss' per 100 FTE	0.97	1.55
Total client / stakeholder 'behaviours of concern'	929.00	1,243,00
Client / stakeholder 'behaviours of concern' per 100 FTE	9.29	12.43
Total employee injuries	114.00	122.00
Employee injuries per 100 FTE	1.14	1.22

#### WorkCover claims and return to work

The number of WorkCover claims in 2023–24 decreased to eight. Despite this, we saw the average claims cost increase to \$276,297 and this is due to the type of injury/illness/condition and duration of the claim, which impacts the future liability of the claim and associated costs to be paid.

Incident breakdown	2022-23	2023-24
Total claims (standardised)	16.00	8.00
Claims rate per 100 FTE	0.16	0.08
Number of time lost claims	12	7.00
Time lost claims per 100 FTE	0.12	0.07
Number of 13-week claims	5.00	5.00
13-week claims per 100 FTE	0.05	0.05
Number of fatality claims	Nil	Nil
Number of claims with return-to-work plans initiated	4.00	4.00

#### Additional information available on request

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of items listed below have been retained by the TAC and are available on request, subject to the provisions of the *Freedom of Information Act 1982*:

- statement that declaration of pecuniary interests have been duly completed by all relevant officers
- details of shares held by a senior officer as nominee, or held beneficially in a
- · statutory authority or subsidiary
- details of publications produced by the TAC about the TAC and how these can be obtained
- details of changes in prices, fees, charges, rates and levies charged by the TAC
- · details of any external reviews carried out by the TAC
- details of major research and development activities undertaken by the TAC
- details of overseas visits undertaken, including a summary of the objectives and outcomes of each visit
- details of major promotional, public relations and marketing activities undertaken by the TAC to develop community awareness of the TAC and its services
- list of major committees sponsored by the TAC, the purpose of each committee and the extent to which the purposes have been achieved
- · details of all consultancies and contractors
- details of time lost through workplace accidents and disputes
- details of Machinery of Government costs to the TAC.

This information is available on request from:

Information and Privacy Manager Victorian Transport Accident Commission (TAC) PO Box 742 Geelong VIC 3001

Email: foi@tac.vic.gov.au

#### **Research information**

Information about TAC's research program is available on the TAC website. Any queries related to TAC's health, disability and compensation research program should be directed to research@tac.vic.gov.au

#### **Access to information online**

The TAC's corporate website (tac.vic.gov.au) includes information about the TAC, its claim policies, fees and benefit entitlement information for the public, clients, providers and key stakeholder groups. It also includes road safety initiatives, statistics and stories relating to road safety.

Access to information for specific campaigns and target audiences can be found at:

#### Websites

TAC

tac.vic.gov.au

Vanessa

vanessabus.com.au

Road to Zero roadtozero.vic.gov.au

Spokes

spokes.com.au

How Safe is Your Car howsafeisvourcar.com.au

Road Safety Education Victoria roadsafetyeducation.vic.gov.au

#### Social media

Facebook

facebook.com/transportaccidentcommission

YouTube

youtube.com.au/tac

X (formerly Twitter) @TACVictoria

LinkedIn

Linkedin.com/company/transport-accident-commission

Instagram

instagram.com/tacvictoria

In addition, the TAC provides information via its client and health provider digital platforms:

- myTAC, the TAC's app and web portal, allows clients to manage their TAC claim online.
- HICAPS Digital Claims, the TAC's online payment platform, gives TAC providers the option to send digital invoices for payment.

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#### **Publications**

The TAC provides as extensive list of publications, brochures and other resources to assist our clients and the general public to better understand our organisation and what we offer. These are chiefly housed on our website: tac.vic.gov.au

The TAC also publishes a range of information about benefits and supports. These are available at: tac.vic.gov.au/brochures

Our publications include:

Description	Mode of access
Impairment Examinations Information	Digital
Annual Transport Accident charges, including GST and duty	Digital
Freedom of information	Digital
Road Safety Statistical Summary	Digital
Safe travel policy	Digital
Supporting you after a transport accident	Digital / hardcopy
TAC annual reports	Digital / hardcopy
TAC client service charter	Digital
TAC Enterprise Agreement 2021–25	Digital / hardcopy
TAC fee schedules	Digital
TAC privacy charter	Digital
TAC research charter	Digital
TAC support when a person dies	Digital / hardcopy
The TAC's complaints process	Digital
Victorian Road Safety Action Plan 2021–2023	Digital
Victorian Road Safety Strategy 2021–2030	Digital



# **TAC** public education campaigns

In 2023–24, there were five TAC public education campaigns and three media partnership initiatives with a total media spend of \$100,000 or more (exclusive of GST). The details of each campaign and media initiative are listed below:

			Advertising (Media) expenditure 2023–24	Creative and campaign development expenditure 2023–24	Research expenditure 2023–24	Post-campaign evaluation expenditure 2023–24	Print and collateral expenditure 2023–24	Other campaign expenditure 2023–24	Total
Name of campaign	Campaign summary	Start/End Date	Excluding GST	Excluding GST	Excluding GST	Excluding GST	Excluding GST	Excluding GST	Excluding GST
Public Education Campaig	ns (over \$100K media spend)								
Mobile Phone and Seatbelt Detection Cameras 'Phone down. Buckle Up' – Phase 3	The campaign was designed to inform the Victorian public about the introduction of new mobile phone and seatbelt detection camera technology. The third and final phase of the campaign informed Victorians that penalties would apply for non-compliance at the conclusion of a three-month warning	01 Jul 2023 to 31 Jul 2023	Approved: \$100,000 Actual:	Planned: \$0 Actual:	Approved/Planned: \$0 Actual:	Approved/Planned: \$0 Actual:	Approved/Planned: \$0 Actual:	: Approved/Planned: \$0 Actual:	Approved/Planned: \$100,000
	period.		\$107,459	\$541	\$0	\$0	\$0	\$0	\$108,000
Motorcycle Safety 'Only Protected for a Moment' Re-Run	Motorcycle riders have 38 times the risk of death or serious injury in a road crash, regardless of fault. This motorcycle safety campaign aimed to motivate riders to wear their protective clothing on every ride, thereby reducing the	01 Oct 2023 to 29 Oct 2023	Approved: \$300,000	Planned: \$100,000	Approved/Planned: \$0	Approved/Planned: \$0	Approved/Planned: \$0	: Approved/Planned: \$0	Approved/Planned: \$400,000
	severity of motorcycle-related road trauma.		Actual: \$ 292,780	Actual: \$138,976	Actual: \$0	Actual: \$0	Actual: \$0	Actual: \$0	Actual: \$431,756
Drink Drive	Alcohol is the most represented drug in fatally injured drivers when compared to all substances that are subject to roadside testing. The aim of this campaign was to reframe safe drinking and driving behaviour from a 0.05	04 Dec 2023 to 31 Jan 2024	Approved: \$700,000	Planned: \$200,00	Approved/Planned: \$0	Approved/Planned: \$0	Approved/Planned: \$0	: Approved/Planned: \$0	Approved/Planned: \$900,000
	reference point to complete separation to further reduce fatalities and serious injuries on our roads.		Actual: \$686,756	Actual: \$89,885	Actual: \$0	Actual: \$0	Actual: \$0	Actual: \$0	Actual: \$776,641
'Always On' Enforcement 'Anywhere. Anytime. Anyone.' <sup>1</sup>	With one in three (32%) Victorians believing they can get away with dangerous driving, and regular offenders believing they have strategies to avoid getting caught by police, the 'Always On' Enforcement campaign aimed to deter dangerous driver behaviour by increasing the perceived risk of getting caught	10 Dec 2023 to 30 Jun 2024	Approved: \$0	Planned: \$1,300,000	\$0	\$0	\$0	\$0	Approved/Planned: \$1,300,000
	by police.  The campaign ran across various media channels throughout the year, including billboards, regional press, radio, digital, to create the perception that non-compliant drivers can be caught anywhere and at any time. The five high-risk behaviours targeted in this campaign were speeding, drink driving, drug driving, distracted driving and non-use of seatbelts.		Actual: \$0	Actual: \$1,442,416	Actual: \$0	Actual: \$0	Actual: \$0	Actual: \$0	Actual: \$1,442,416
Fatigue <sup>2</sup>	This new campaign educated Victorian drivers about the increased crash risk associated with driving while fatigued, and shared new research about the minimum amount of sleep a driver needs to drive safely.	19 May 2024 to 30 Jun 2024	Approved: \$750,000	Planned: \$1,500,000	Approved/Planned: \$0	Approved/Planned: \$0	Approved/Planned: \$0	: Approved/Planned: \$0	Approved/Planned: \$2,250,000
			Actual: \$700,000	Actual: \$1,588,095	Actual: \$39,000	Actual: \$0	ctual: \$0	Actual: \$0	Actual: \$2,327,095

			Advertising (Media) expenditure 2023–24	Creative and campaign development expenditure 2023-24	Research expenditure 2023-24	Post-campaign evaluation expenditure 2023–24	Print and collateral expenditure 2023–24	Other campaign expenditure 2023–24	Total
Name of campaign	Campaign summary	Start/End Date	Excluding GST	Excluding GST	Excluding GST	Excluding GST	Excluding GST	Excluding GST	Excluding GST
Media partnerships									
FY24 Sport Media Partnerships	The Sport Media Partnership helped us effectively and efficiently target at-risk male audiences via some of the largest sporting platforms in Victoria (such as AFL and Cricket). In particular, it allowed us to tactically share road safety messages and support specific campaigns addressing unsafe driver	01 Jul 2023 to 30 Sep 2023	Approved: \$1,610,000 Actual:	Approved/Planned \$0 Actual:	i: Approved/Planned \$0 ctual:	: Approved/Planned: \$0 Actual:	Approved/Planned \$0 Actual:	: Approved/Planned: \$0 Actual:	Approved: \$1,610,000 Actual:
	behaviour.		\$1,594,174	\$0	\$0	\$0	\$0	\$0	\$1,594,174
Search Engine Marketing (SEM)	The Search Engine Marketing (SEM) Partnership allows us to target and intercept risky driving behaviours via Google year-round as Victorian road users look for online information about driving behaviours, vehicle safety,	01 Jul 2023 to 30 Jun 2024	Approved: \$600,000	Approved/Planned	d: Approved/Planned \$0	l: Approved/Planned: \$0	Approved/Planned \$0	: Approved/Planned: \$0	Approved: \$600,000
	road rules and the TAC. The partnership utilises an ongoing program of search marketing/Google AdWords activity for key road safety issues and directs users to the TAC website for further information.		Actual: \$644,420	Actual: \$0	Actual: \$0	Actual: \$0	Actual: \$0	Actual: \$0	Actual: \$644,420
FY24 Media Partnership	This annual media partnership kept road safety top of mind for all Victorians	17 Aug 2023 to	Approved:	Approved/Planned	d: Approved/Planned	: Approved/Planned:	FF/	: Approved/Planned:	
	year-round by supporting campaign and enforcement activities throughout the year, and using various media outlets (including TV, radio, digital, targeted	30 Jun 2024	\$12,165,000	\$0	\$0	\$0	\$0	\$0	\$12,165,000
	CALD channels and so on). The partnership offered us opportunities to target audiences and tailor messages for increased relevancy, such as through road trauma hot spot data.		Actual: \$12,422,508	Actual: \$0	Actual: \$0	Actual: \$0	Actual: \$0	Actual: \$0	Actual: \$12,422,508
Campaigns in development	or on hold								
Pictures of You	This campaign is designed to remind all Victorians that enforcement technology is there to catch offending road users and keep all road users safe. By using real life stories, the campaign aims to make an emotional	21 Oct 2024 to 8 Dec 2024	Planned: \$0	Approved/Planned \$1,502,149	d: Approved/Planned \$0	: Approved/Planned: \$0	Approved/Planned \$0	: Approved/Planned: \$0	Approved/Planned: \$1,502,149
	appeal to Victorians, gaining their attention and asking them to change their behaviour on our roads to avoid death and serious injury.		Actual: \$0	Actual: \$243,366	Actual: \$26,000	Actual: \$0	Actual: \$0	Actual: \$0	Actual: \$269,366

#### Notes:

 $Approved \ 'Advertising \ (media) \ expenditure' \ is \ the \ amount \ approved \ for \ each \ campaign \ by \ the \ Advertising \ Approval \ Group \ (AAG).$ 

Planned campaign expenditure amounts are the amounts included in the Campaign Strategy form submitted to the AAG for review.

<sup>&</sup>lt;sup>1</sup> Actual creative and campaign development expenditure for this campaign was higher than planned, to allow for an expansion in the number of multicultural communities targeted by the campaign, leading to an increase in translation and creative development costs.

<sup>&</sup>lt;sup>2</sup> Demand for printed posters and other printed campaign collateral (from local councils and libraries) was higher than expected, leading to an increase in print costs for this campaign.

# **Disclosure index**

The TAC Annual Report is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of TAC compliance with statutory disclosure requirements.

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<sup>\*</sup> Throughout

